

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Liberty Mutual Fire Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
<i>Project Name/Number:</i>	<i>0308 Revision filing/</i>		

Filing at a Glance

Company: Liberty Mutual Fire Insurance Company

Product Name: Liberty Mutual Property RM Select Policy
 SERFF Tr Num: LMPP-125428084 State: Arkansas

TOI: 01.0 Property	SERFF Status: Closed	State Tr Num: EFT \$50
Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)	Co Tr Num: SRF-CW-023-07	State Status: Fees verified and received
Filing Type: Form	Co Status:	Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
	Author: Marla Kroening1	Disposition Date: 02/11/2008
	Date Submitted: 01/14/2008	Disposition Status: Approved
Effective Date Requested (New): 05/01/2008		Effective Date (New): 05/01/2008
Effective Date Requested (Renewal): 05/01/2008		Effective Date (Renewal): 05/01/2008

State Filing Description:

General Information

Project Name: 0308 Revision filing
 Project Number:

Status of Filing in Domicile: Authorized
 Domicile Status Comments: forms approved 5/1/08

Reference Organization:
 Reference Title:

Reference Number:
 Advisory Org. Circular:

Filing Status Changed: 02/11/2008
 State Status Changed: 01/28/2008
 Corresponding Filing Tracking Number:

Deemer Date:

Filing Description:

Liberty Mutual Fire Insurance Company is pleased to submit this revised forms/endorsements filing with respect to its "Liberty Mutual Property RM Select Policy" for your review and approval. The revised companion rate/rule filing is exempt from filing.

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Liberty Mutual Fire Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
<i>Project Name/Number:</i>	<i>0308 Revision filing/</i>		

Kindly, refer to the Form Schedule tab for all policy forms, endorsements, and any state amendatory endorsements (if applicable) that are included in this filing. For highlights of the substantive revisions to these previously approved forms and endorsements, please refer to the Supporting Documentation tab which includes the Revised Forms/Endorsements Explanation document that summarizes these key changes.

We are submitting 4 new endorsements in conjunction with this filing, which we have summarized in the New Endorsements Explanation found in the Supporting Documentation tab. In addition, we are withdrawing 11 endorsements that are no longer necessary as a result of this revised filing.

If you have any questions regarding any of this material, please feel free to contact me by phone, e-mail or in writing at the address provided in this letter. Otherwise, please approve this filing submission.

Thank you in advance for your time and consideration.

Company and Contact

Filing Contact Information

Marla J Kroening, Senior State Filing Analyst	Marla.Kroening@LibertyMutual.com
PO Box 8070	(800) 297-2525 [Phone]
Wausau, WI 54402-9987	(715) 847-8832[FAX]

Filing Company Information

Liberty Mutual Fire Insurance Company	CoCode: 23035	State of Domicile: Wisconsin
PO Box 8070	Group Code: 111	Company Type:
Wausau, WI 54402-8070	Group Name: Liberty Mutual	State ID Number:
(800) 297-2525 ext. 6399[Phone]	FEIN Number: 04-1924000	

Filing Fees

Fee Required?	Yes
Fee Amount:	\$50.00
Retaliatory?	No
Fee Explanation:	\$50.00 for form filings

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Liberty Mutual Fire Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
<i>Project Name/Number:</i>	<i>0308 Revision filing/</i>		
Per Company:	No		

SERFF Tracking Number: LMPP-125428084 State: Arkansas
Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: SRF-CW-023-07
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Liberty Mutual Property RM Select Policy
Project Name/Number: 0308 Revision filing/

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Liberty Mutual Fire Insurance Company	\$50.00	01/14/2008	17480580

SERFF Tracking Number:	LMPP-125428084	State:	Arkansas
Filing Company:	Liberty Mutual Fire Insurance Company	State Tracking Number:	EFT \$50
Company Tracking Number:	SRF-CW-023-07		
TOI:	01.0 Property	Sub-TOI:	01.0001 Commercial Property (Fire and Allied Lines)
Product Name:	Liberty Mutual Property RM Select Policy		
Project Name/Number:	0308 Revision filing/		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted			
Approved	Llyweyia Rawlins	02/11/2008	02/11/2008			
Objection Letters and Response Letters						
Objection Letters		Response Letters				
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Llyweyia Rawlins	02/08/2008	02/08/2008	Marla Kroening1	02/11/2008	02/11/2008

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
<i>Project Name/Number:</i>	<i>0308 Revision filing/</i>		

Disposition

Disposition Date: 02/11/2008

Effective Date (New): 05/01/2008

Effective Date (Renewal): 05/01/2008

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: LMPP-125428084 State: Arkansas

Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50

Company Tracking Number: SRF-CW-023-07

TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Product Name: Liberty Mutual Property RM Select Policy

Project Name/Number: 0308 Revision filing/

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	New Endorsements Explanation	Approved	Yes
Supporting Document	Revised Forms / Endorsements Explanation	Approved	Yes
Form	Signature Page	Approved	Yes
Form	Policy Reference Index	Approved	Yes
Form	Declarations	Approved	Yes
Form	Coverages	Approved	Yes
Form	Extensions of Coverage	Approved	Yes
Form	Exclusions	Approved	Yes
Form	Property Not Covered	Approved	Yes
Form	Valuations	Approved	Yes
Form	Conditions	Approved	Yes
Form	Definitions	Approved	Yes
Form	Schedule of Mortgage Holders or Loss Payees	Approved	Yes
Form	Accounts Receivable Coverage	Approved	Yes
Form	Mobile Equipment or Tools Extension	Approved	Yes
Form	Earth Movement Sprinkler Leakage Extension	Approved	Yes
Form	Earth Movement Coverage	Approved	Yes
Form	Earth Movement Coverage (Scheduled States or Locations)	Approved	Yes
Form	Flood Coverage	Approved	Yes
Form	Flood Coverage (Scheduled States or Locations)	Approved	Yes
Form	Interruption of Services Coverage Extension	Approved	Yes
Form	Contingent Loss of Business Income or Extra Expense Extension	Approved	Yes
Form	Additional Deductibles and Waiting Periods	Approved	Yes

SERFF Tracking Number: LMPP-125428084 State: Arkansas

Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50

Company Tracking Number: SRF-CW-023-07

TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Product Name: Liberty Mutual Property RM Select Policy

Project Name/Number: 0308 Revision filing/

Form	Replacement Cost Extension Personal Property Of Others	Approved	Yes
Form	Territorial Definition Amendatory	Approved	Yes
Form	Standard Extensions Amendatory	Approved	Yes
Form	Food Product Recall and Tainted Food Product Extension	Approved	Yes
Form	Food Product Recall and Tainted Food Product Extension	Approved	Yes
Form	Spoilage of Perishable Goods While In Transit Extension	Approved	Yes
Form	Printers and Publishers Recall Extension	Approved	Yes
Form	Limit of Liability Amendatory - Specified Locations and Coverages	Approved	Yes
Form	Contingent Loss of Business Income or Extra Expense Extension Leader Locations	Approved	Yes
Form	Contract Penalties Extension	Approved	Yes
Form	Lender's Loss Payable Endorsement	Approved	Yes
Form	Equipment Breakdown Extensions of Coverage	Approved	Yes
Form	Equipment Breakdown Coverage Amendatory	Approved	Yes
Form	Equipment Breakdown Service Interruption	Approved	Yes
Form	Liberalization Condition	Approved	Yes
Form	Nuclear Exclusion Amendatory	Approved	Yes
Form	Theft Limitation	Approved	Yes
Form	Printers and Publishers Recall Extension	Approved	Yes
Form	Loss of Business Income - Research and Development Extension	Approved	Yes
Form	Fine Arts Amendatory	Approved	Yes
Form	Flood Zone Designation Schedule	Approved	Yes
Form	RM Custom Select Commercial Real Estate	Approved	Yes

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Liberty Mutual Fire Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
<i>Project Name/Number:</i>	<i>0308 Revision filing/</i>		

Form	RM Custom Select Food Processing	Approved	Yes
Form	Arkansas Changes - Cancellation and Nonrenewal	Approved	Yes
Form	Arkansas Changes	Approved	Yes

SERFF Tracking Number: LMPP-125428084 State: Arkansas
Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: SRF-CW-023-07
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Liberty Mutual Property RM Select Policy
Project Name/Number: 0308 Revision filing/

Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 02/08/2008
Submitted Date 02/08/2008
Respond By Date 02/22/2008

Dear Marla J Kroening,
Form RM1006 - Conditions:

The appraisal clause(s) found in this filing should be amended to comply with Ark. Code Ann. §23- 79-203 and Arkansas Bulletin No. 19-89. The clause(s) must specifically state it is non-binding and voluntary.

The applicable provision of the Arkansas Statute of Limitations of the Arkansas General Code, allows five (5) years in which to commence litigation for this insurance contract. You may amend by extending the time limit to five (5) years or by stating, "within the time allowed by law."

Thank You
Llyweyia Rawlins

Please feel free to contact me if you have questions.
Sincerely,
Llyweyia Rawlins

Response Letter

Response Letter Status Submitted to State
Response Letter Date 02/11/2008
Submitted Date 02/11/2008

Dear Llyweyia Rawlins,

Comments:

Response 1

Comments: In response to your objection letter:

SERFF Tracking Number: LMPP-125428084 State: Arkansas

Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50

Company Tracking Number: SRF-CW-023-07

TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Product Name: Liberty Mutual Property RM Select Policy

Project Name/Number: 0308 Revision filing/

We are submitting Arkansas Changes, Form RM1803 03-08 which amends the appraisal condition to comply with Ark Code Ann. § 23-79-203 and amends the suit condition to 5 years to comply with Arkansas Statute of Limitations of the Arkansas General Code.

Thanks for bringing this to our attention.

Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Arkansas Changes	RM1803	03-08	Endorsement/Amendment/Conditions	New		0	1803.308.doc

No Rate/Rule Schedule items changed.

Sincerely,
Marla Kroening1

SERFF Tracking Number: LMPP-125428084 State: Arkansas

Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50

Company Tracking Number: SRF-CW-023-07

TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Product Name: Liberty Mutual Property RM Select Policy

Project Name/Number: 0308 Revision filing/

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Signature Page	RM0001	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM0001 01-04 Previous Filing #:		0001.308_LM.pdf 0001.MU_LM.pdf
Approved	Policy Reference Index	RM0002	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM0002 09-04 Previous Filing #:		0002.308.pdf 0002MU.pdf
Approved	Declarations	RM1000	03-08	Declaration Replaced s/Schedule	Replaced Form #:0.00 RM1000 09-04 Previous Filing #:		1000.308.pdf 1000MU.pdf
Approved	Coverages	RM1001	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM1001 09-04 Previous Filing #:		1001.308.pdf 1001MU.pdf
Approved	Extensions of Coverage	RM1002	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM1002 01-04 Previous Filing #:		1002.308.pdf 1002MU.pdf
Approved	Exclusions	RM1003	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM1003 01-04 Previous Filing #:		1003.308.pdf 1003MU.pdf
Approved	Property Not Covered	RM1004	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM1004 09-04 Previous Filing #:		1004.308.pdf 1004MU.pdf
Approved	Valuations	RM1005	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM1005 01-04 Previous Filing #:		1005.308.pdf 1005MU.pdf
Approved	Conditions	RM1006	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM1006 01-04 Previous Filing #:		1006.308.pdf 1006MU.pdf
Approved	Definitions	RM1007	03-08	Policy/Coverage Form Replaced	Replaced Form #:0.00 RM1007 09-04 Previous Filing #:		1007.308.pdf 1007MU.pdf
Approved	Schedule of	RM1102	03-08	Endorsement Replaced	Replaced Form #:0.00		1102.308.pdf

SERFF Tracking Number: LMPP-125428084 State: Arkansas
Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: SRF-CW-023-07
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Product Name: Liberty Mutual Property RM Select Policy

Project Name/Number: 0308 Revision filing/

Mortgage Holders or Loss Payees				nt/Amendm ent/Condi tions	RM1102 01-04 Previous Filing #:	1102.MU.pdf
Approved	Accounts Receivable Coverage	RM1103	01-04	Endorsement Withdrawn nt/Amendm ent/Condi tions	Replaced Form #:0.00 Previous Filing #:	1103disc.10 4.pdf
Approved	Mobile Equipment or Tools Extension	RM1104	03-08	Endorsement Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1104 01-04 Previous Filing #:	1104.308.pdf 1104.MU.pdf
Approved	Earth Movement Sprinkler Leakage Extension	RM1105	03-08	Endorsement Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1105 01-04 Previous Filing #:	1105.308.pdf 1105.MU.pdf
Approved	Earth Movement Coverage	RM1106	03-08	Endorsement Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1106 09-04 Previous Filing #:	1106.308.pdf 1106.MU.pdf
Approved	Earth Movement Coverage (Scheduled States or Locations)	RM1107	09-04	Endorsement Withdrawn nt/Amendm ent/Condi tions	Replaced Form #:0.00 Previous Filing #:	1107disc.90 4.pdf
Approved	Flood Coverage	RM1108	03-08	Endorsement Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1108 09-04 Previous Filing #:	1108.308.pdf 1108.MU.pdf
Approved	Flood Coverage (Scheduled States or Locations)	RM1109	09-04	Endorsement Withdrawn nt/Amendm ent/Condi tions	Replaced Form #:0.00 Previous Filing #:	1109disc.90 4.pdf
Approved	Interruption of Services Coverage Extension	RM1110	03-08	Endorsement Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1110 01-04 Previous Filing #:	1110.308.pdf 1110MU.pdf
Approved	Contingent Loss	RM1112	03-08	Endorsement Replaced	Replaced Form #:0.00	1112.308.pdf

SERFF Tracking Number: LMPP-125428084 State: Arkansas
Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: SRF-CW-023-07
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Product Name: Liberty Mutual Property RM Select Policy

Project Name/Number: 0308 Revision filing/

	of Business			nt/Amendm	RM1112 08-07	1112.MU.pdf
	Income or Extra			ent/Condi	Previous Filing #:	
	Expense			ons		
	Extension					
Approved	Additional	RM1115	03-08	Endorseme Replaced	Replaced Form #:0.00	1115.308.pdf
	Deductibles and			nt/Amendm	RM1115 09-04	1115.MU.pdf
	Waiting Periods			ent/Condi	Previous Filing #:	
				ons		
Approved	Replacement	RM1117	01-04	Endorseme Withdrawn	Replaced Form #:0.00	1117disc.10
	Cost Extension			nt/Amendm		4.pdf
	Personal			ent/Condi	Previous Filing #:	
	Property Of			ons		
	Others					
Approved	Territorial	RM1118	03-08	Endorseme Replaced	Replaced Form #:0.00	1118.308.pdf
	Definition			nt/Amendm	RM1118 01-04	1118.MU.pdf
	Amendatory			ent/Condi	Previous Filing #:	
				ons		
Approved	Standard	RM1119	03-08	Endorseme Replaced	Replaced Form #:0.00	1119.308.pdf
	Extensions			nt/Amendm	RM1119 01-04	1119.MU.pdf
	Amendatory			ent/Condi	Previous Filing #:	
				ons		
Approved	Food Product	RM1120	01-04	Endorseme Withdrawn	Replaced Form #:0.00	1120disc.10
	Recall and			nt/Amendm		4.pdf
	Tainted Food			ent/Condi	Previous Filing #:	
	Product			ons		
	Extension					
Approved	Food Product	RM1121	03-08	Endorseme Replaced	Replaced Form #:0.00	1121.308.pdf
	Recall and			nt/Amendm	RM1121 01-04	1121.MU.pdf
	Tainted Food			ent/Condi	Previous Filing #:	
	Product			ons		
	Extension					
Approved	Spoilage of	RM1122	03-08	Endorseme Replaced	Replaced Form #:0.00	1122.308.pdf
	Perishable Goods			nt/Amendm	RM1122 01-04	1122.MU.pdf
	While In Transit			ent/Condi	Previous Filing #:	
	Extension			ons		
Approved	Printers and	RM1123	01-04	Endorseme Withdrawn	Replaced Form #:0.00	1123disc.10
	Publishers Recall			nt/Amendm		4.pdf

SERFF Tracking Number: LMPP-125428084 State: Arkansas
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Company Tracking Number: SRF-CW-023-07
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)

Product Name: Liberty Mutual Property RM Select Policy
Project Name/Number: 0308 Revision filing/

	Extension			ent/Condi tions	Previous Filing #:	
Approved	Limit of Liability Amendatory - Specified Locations and Coverages	RM1127	03-08	Endorseme Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1127 09-04 Previous Filing #:	1127.308.pdf 1127.MU.pdf
Approved	Contingent Loss of Business Income or Extra Expense Extension Leader Locations	RM1137	03-08	Endorseme Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1137 08-07 Previous Filing #:	1137.308.pdf 1137.MU.pdf
Approved	Contract Penalties Extension	RM1138	03-08	Endorseme New nt/Amendm ent/Condi tions	0.00	1138.308.pdf
Approved	Lender's Loss Payable Endorsement	RM1141	03-08	Endorseme New nt/Amendm ent/Condi tions	0.00	1141.308.pdf
Approved	Equipment Breakdown Extensions of Coverage	RM1250	03-08	Endorseme Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1250 09-04 Previous Filing #:	1250.308.pdf 1250.MU.pdf
Approved	Equipment Breakdown Coverage Amendatory	RM1251	03-08	Endorseme Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 RM1251 09-04 Previous Filing #:	1251.308.pdf 1251.MU.pdf
Approved	Equipment Breakdown Service Interruption	RM1252	09-04	Endorseme Withdrawn nt/Amendm ent/Condi tions	Replaced Form #:0.00 Previous Filing #:	1252disc.90 4.pdf
Approved	Liberalization Condition	RM1406	11-05	Endorseme Withdrawn nt/Amendm ent/Condi tions	Replaced Form #:0.00 Previous Filing #:	1406disc.n0 5.pdf

SERFF Tracking Number: LMPP-125428084 State: Arkansas
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Product Name: Liberty Mutual Property RM Select Policy
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Approved	Nuclear Exclusion Amendatory	RM1686	11-05	Endorsement/Amendment/Conditions Withdrawn	Replaced Form #:0.00 Previous Filing #:	1686disc.n05.pdf
Approved	Theft Limitation	RM1111	01-04	Endorsement/Amendment/Conditions Withdrawn	Replaced Form #:0.00 Previous Filing #:	1111disc.104.pdf
Approved	Printers and Publishers Recall Extension	RM1124	03-08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 RM1124 01-04 Previous Filing #:	1124.308.pdf 1124.MU.pdf
Approved	Loss of Business Income - Research and Development Extension	RM1125	03-08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 RM1125 01-04 Previous Filing #:	1125.308.pdf 1125.MU.pdf
Approved	Fine Arts Amendatory	RM1126	03-08	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 RM1126 01-04 Previous Filing #:	1126.308.pdf 1126MU.pdf
Approved	Flood Zone Designation Schedule	RM1132	09-04	Endorsement/Amendment/Conditions Withdrawn	Replaced Form #:0.00 Previous Filing #:	1132disc.904.pdf
Approved	RM Custom Select Commercial Real Estate	RM2004	03-08	Endorsement/Amendment/Conditions New	0.00	2004.308.pdf
Approved	RM Custom Select Food Processing	RM2080	03-08	Endorsement/Amendment/Conditions New	0.00	2080.308.pdf
Approved	Arkansas Changes - Cancellation and Nonrenewal	RM1903	03-08	Cancellation/NonRenewal Notice Replaced	Replaced Form #:0.00 RM1903 02-07 Previous Filing #:	1903.308.pdf 1903.MU.pdf

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
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<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
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Approved	Arkansas	RM1803	03-08	Endorseme New	0.00	1803.308.do
	Changes			nt/Amendm		c
				ent/Condi		
				ons		



Liberty Mutual Fire Insurance Company

(A Stock Company herein called the Company)

While this policy is in effect, **you** are a member of Liberty Mutual Holding Company Inc. and are entitled to vote either in person or by proxy at any and all meetings of said company. The Annual Meeting of Liberty Mutual Holding Company Inc. is in Boston, Massachusetts, on the second Wednesday in April each year at ten o'clock in the morning.

You shall participate in the distribution of surplus funds of the company through any dividends that may be declared for this Policy. The amount of any dividends that may be declared shall be to the extent, and upon the conditions fixed and determined by the Board of Directors and in compliance with any laws that apply.

This policy is classified for dividend purposes in DIVIDEND CLASS I - Fire and Allied Lines.

This policy is not assessable.

In witness whereof, the company has caused this policy to be signed by its President and its Secretary in Boston, Massachusetts and countersigned on the DECLARATIONS, Form RM1000, by a duly authorized representative of the company.

Secretary

President



Liberty Mutual Fire Insurance Company

Notice of Membership in Liberty Mutual Holding Company Inc. and Notice of Annual Meeting

Your policy includes a statement regarding membership rights in Liberty Mutual Holding Company Inc. Liberty Mutual Fire Insurance Company is a stock insurance company subsidiary of Liberty Mutual Holding Company Inc. Insurance is provided by Liberty Mutual Fire Insurance Company. **You** are a member of Liberty Mutual Holding Company Inc.

As a member of Liberty Mutual Holding Company Inc., **you** are entitled to vote either in person or by proxy at the annual meeting of said company. The Annual Meeting of Liberty Mutual Holding Company Inc. is in Boston, Massachusetts, on the second Wednesday in April each year at ten o'clock in the morning.

Members of Liberty Mutual Holding Company Inc. may request a copy of the company's annual financial statements, which are posted on Liberty Mutual's website at www.libertymutual.com, by writing to Liberty Mutual Holding Company Inc., 175 Berkeley Street, Boston, Massachusetts, 02117.



Liberty Mutual Fire Insurance Company

(A Stock Company herein called the Company)

While this policy is in effect, ~~the named insured first named in the Declarations is~~ **you are** a member of Liberty Mutual Holding Company Inc. and ~~is~~ **are** entitled to vote either in person or by proxy at any and all meetings ~~of the members~~ of said company. The Annual Meeting of Liberty Mutual Holding Company Inc. is in Boston, Massachusetts, on the second Wednesday in April each year at ten o'clock in the morning.

~~The named insured first named in the Declarations~~ **Page You** shall participate in the distribution of **surplus** funds of the company through any dividends ~~that may be declared by us~~ for this Policy. ~~The amount of such Named Insured's participation is determined by the decision of our Board of Directors in compliance with any laws that apply.~~ The amount of any dividends that may be declared shall be to the extent, and upon the conditions fixed and determined by the Board of Directors and in compliance with any laws that apply.

This policy is classified for dividend purposes in DIVIDEND CLASS I - Fire and Allied Lines.

This policy is not assessable.

~~IN WITNESS WHEREOF,~~ In witness whereof, the company has caused this policy to be signed by its President and its Secretary in Boston, Massachusetts, and ~~the~~ countersigned on the ~~declaration page~~ **DECLARATIONS, Form RM1000**, by a duly authorized representative of the company.

Dexter R. Lapp
SECRETARY

Edmund F Kelly
PRESIDENT



Liberty Mutual Fire Insurance Company

Notice of Membership in Liberty Mutual Holding Company Inc. and Notice of Annual Meeting

~~Your~~ **Your** policy includes a statement regarding membership rights in Liberty Mutual Holding Company Inc. Liberty Mutual Fire Insurance Company is a stock insurance company subsidiary of Liberty Mutual Holding Company Inc. Insurance is provided by Liberty Mutual Fire Insurance Company. ~~The named insured first named in the declarations is~~ **You** are a member of Liberty Mutual Holding Company Inc.

As a member of Liberty Mutual Holding Company Inc., ~~the named insured first named is~~ **you** are entitled ~~is~~ to vote either in person or by proxy at the annual meeting of said company. The Annual Meeting of Liberty Mutual Holding Company Inc. is in Boston, Massachusetts, on the second Wednesday in April each year at ten o'clock in the morning.

Members of Liberty Mutual Holding Company Inc. may request a copy of the company's annual financial statements, which are posted on Liberty Mutual's website at www.libertymutual.com, by writing to Liberty Mutual Holding Company Inc., 175 Berkeley Street, Boston, Massachusetts, 02117.



LIBERTY MUTUAL PROPERTY RM SELECT™

POLICY REFERENCE INDEX

This INDEX is to help **you** read **your** Policy. It is not a part of the Policy and is in no way a substitute for reading **your** entire Policy.

Your Policy may or may not include all of the forms, endorsements, coverages and provisions listed in this INDEX. Refer to the POLICY INDEX, Form RM0003, for a list of forms and endorsements that are included on **your** policy.

PLEASE READ **YOUR** POLICY CAREFULLY!

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Policy Premium		1
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B. Coverages		2
C. Limits of Liability		2
D. Standard Extensions of Coverage		2
E. Optional Extensions of Coverage – Sublimits of Liability		2
F. Equipment Breakdown Coverage		3
G. Deductible and waiting periods		4
Schedule		5
COVERAGES	RM1001	
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POLICY REFERENCE INDEX – (CONTINUED)

	Form Number	Beginning on Page
COVERAGES – (CONTINUED)	RM1001	
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E. Equipment Breakdown		4
EXTENSIONS OF COVERAGE	RM1002	
A. Standard Extensions of Coverage		1
1. Accounts Receivable		1
2. Arson Reward		2
3. Computer Virus and Denial of Access		2
4. Debris Removal Expense		3
5. Deferred Payments		3
6. Duty to Defend		3
7. Extended Period of Restoration		4
8. Fire Department Charges		4
9. Fine Arts		4
10. Fungus Cleanup Expense		4
11. Installation of Personal Property or Personal Property of Others		5
12. Lock and Key Replacement		5
13. Personal Property of Employees		5
14. Plants, Trees or Shrubs		5
15. Pollution Cleanup Expense		5
16. Professional Fees		6
17. Removal		6
B. Optional Extensions of Coverage		6
1. Course of Construction		6
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A. Replacement Cost		1

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C. Assignment		1
D. Brands and Labels		1
E. Breach of Condition		1
F. Cancellation		1
G. Change of Terms		2
H. Collection from Others		3
I. Concealment, Misrepresentation or Fraud		3
J. Inspection		3
K. Liberalization		3
L. Loss Payee		3
M. Mortgage Holders		4
N. No Benefit to Bailee		4
O. No Reduction by Loss		4
P. Nonrenewal		4
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DEFINITIONS	RM1007	
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B. Actual cash value		1
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D. Business income		1
E. Covered location(s)		2
F. Covered loss		2
G. Covered property		2
H. Data		2
I. Data processing equipment		2
J. Earth movement		2
K. Effective date		2
L. Extra expense		2
M. Fine arts		2
N. First tier wind Counties and Parishes		2
O. Flood		3
P. Fungus		3
Q. Hail		3
R. Limit(s) of liability		3
S. Media		3

POLICY REFERENCE INDEX – (CONTINUED)

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V. Named Storm		4
W. New location(s)		4
X. New Madrid		4
Y. Object(s)		4
Z. Occurrence		5
A.A. Perils insured against		5
B.B. Period of restoration		5
C.C. Perishable goods		6
D.D. Personal property		6
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F.F. Policy period		7
G.G. Pollutant(s)		7
H.H. Pollution		7
I.I. Puget Sound		7
J.J. Real property		7
K.K. Replacement cost		7
L.L. Second tier wind Counties and Parishes		7
M.M. Sinkhole collapse		7
N.N. Software		8
O.O. Specified perils		8
P.P. Transit		8
Q.Q. Unscheduled location(s)		8
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T.T. We, us and our(s)		9
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POLICY REFERENCE INDEX – (CONTINUED)

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LIBERTY MUTUAL PROPERTY RM SELECT™

POLICY REFERENCE INDEX

This INDEX is to help **you** read **your** Policy. It is not a part of the Policy and is in no way a substitute for reading **your** entire Policy.

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Policy Period		1
Policy Premium		1
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8. Schedule of Declarations		5
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EXTENSIONS OF COVERAGE	RM1002	
A. Standard Extensions of Coverage		1
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2. Fire Department Charges Arson Reward		4 2
3. Plants, Trees or Shrubs Computer Virus and Denial of Access		4 2
4. Professional Fees Debris Removal Expense		4 3
5. Debris Removal Expense Deferred Payments		4 3
6. Pollution Cleanup Expense Duty to Defend		2 3
7. Removal Extended Period of Restoration		2 4
8. Duty to Defend Fire Department Charges		2 4
9. Extended Period of Restoration Fine Arts		3 4
10. Fungus Cleanup Expense		3 4
11. Computer Virus and Denial of Access Installation of Personal Property or Personal Property of Others		3 5
12. Lock and Key Replacement		5
13. Personal Property of Employees		5
14. Plants, Trees or Shrubs		5
15. Pollution Cleanup Expense		5
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17. Removal		6
B. Optional Extensions of Coverage		4 6
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5. Demolition Cost, Operation of Building Laws and Increased Construction Cost New Locations		4 7
6. Errors and Omissions Demolition Cost, Increased Construction Cost and Operation of Building Laws		5 8
7. Salespeople		8
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EXCLUSIONS	RM1003	
A. <u>GROUP A EXCLUSIONS</u>		1
B. <u>GROUP B EXCLUSIONS</u>		3
PROPERTY NOT COVERED	RM1004	
VALUATIONS	RM1005	
A. Actual Cash Value Replacement Cost		1

POLICY REFERENCE INDEX – (CONTINUED)

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C. Other Valuations		2
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B. Change of Terms Appraisal		1
C. Titles of Paragraphs Assignment		1
D. Assignment Brands and Labels		1
E. Concealment, Misrepresentation or Fraud Breach of Condition		1
F. Brands and Labels Cancellation		1
G. Breach of Condition Change of Terms		2
H. Cancellation Collection from Others		2 3
I. Nonrenewal Concealment, Misrepresentation or Fraud		3
J. Subrogation Inspection		3
K. Abandonment of Property Liberalization		3
L. No Benefit to Bailee Loss Payee		3
M. Suit Mortgage Holders		4
N. No Reduction by Loss No Benefit to Bailee		4
O. Other Insurance No Reduction by Loss		4
P. Your Duties After a Loss Nonrenewal		4
Q. Appraisal Other Insurance		5
R. Our Options		6 5
S. Right to Adjust with Owner Pair, Set or Parts		6 5
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POLICY REFERENCE INDEX – (CONTINUED)

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X. Mortgage Holders Subrogation		7 6
Y. Loss Payee Suit		8 6
Z. Inspection Suspension		8 7
A.A. Suspension Titles of Paragraphs		8 7
B.B. Vacancy		7
C.C. Your Duties After a Loss		8
DEFINITIONS	RM1007	
A. Accident		1
B. Actual cash value		1
C. Average daily value (ADV)		1
D. Business income		1
E. Covered location(s)		+ 2
F. Covered loss		+ 2
G. Covered property		+ 2
H. Data		+ 2
I. Data processing equipment		2
J. Earth movement		2
K. Effective date		2
L. Extra expense		2
M. Fine arts		2
N. First tier wind Counties and Parishes		2
O. Flood		3
P. Fungus		3
Q. Hail		3
R. Limit(s) of liability		3
S. Media		3

POLICY REFERENCE INDEX – (CONTINUED)

	Form Number	Beginning on Page
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T. Named Storm Miscellaneous location(s)		3
U. New Locations Mobile equipment or tools		3 4
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X. Occurrence New Madrid		4
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Z. Period of restoration Occurrence		5
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B.B. Personal property of others Period of restoration		6 5
C.C. Policy period Perishable goods		6
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E.E. Pollution Personal Property of others		6
F.F. Puget Sound Policy period		6 7
G.G. Real property Pollutant(s)		6 7
H.H. Replacement cost Pollution		6 7
I.I. Second tier wind Counties and Parishes Puget Sound		7
J.J. Sinkhole collapse Real property		7
K.K. Software Replacement cost		7
L.L. Specified peril(s) Second tier wind Counties and Parishes		7
M.M. Transit Sinkhole collapse		8 7
N.N. Unscheduled locations Software		8
O.O. Valuable papers and records Specified perils		8
P.P. Volcanic activity Transit		8
Q.Q. We, us and our(s) Unscheduled location(s)		8
R.R. Wind Valuable papers and records		8
S.S. You and your(s) Volcanic activity		8 9
T.T. We, us and our(s)		9
U.U. Wind		9
V.V. You and your(s)		9

POLICY REFERENCE INDEX – (CONTINUED)

Form Number

Beginning on Page

ENDORSEMENTS

See POLICY INDEX



Liberty Mutual Property RM SELECT™ POLICY

DECLARATIONS

Policy number

Named Insured and Mailing Address

Form of Business

Premium Will Be Billed

Policy Period: to at 12:01 A.M. standard time at above mailing address.

In return for the payment of the premium, and subject to all the terms of this policy, **we** agree with **you** to provide the insurance as stated in this policy.

Premium (Excluding Terrorism Risk Insurance Revision and Extension Act of 2007 (TRIREA) Premium):	\$
Terrorism Risk Insurance Revision and Extension Act of 2007 (TRIREA) Premium:	\$
State or Municipal Taxes, Surcharges and Other Miscellaneous Charges: (See State or Municipal Taxes, Surcharges and Other Miscellaneous Charges Summary, Form RM0005, for breakdown)	\$
 Total Premium/Other Charges for Above Policy Period :	 \$
The Deposit Premium/Other Charges is:	\$

Issued By:

By:

Authorized Company Representative OR Countersignature (as required)

DECLARATIONS (Continued)

A. Insuring Agreement

Subject to all the terms and conditions of this policy, **we** will pay for risks of direct physical loss or damage to **covered property** as a result of an **occurrence**, unless excluded.

If this policy provides Equipment Breakdown coverage then subject to all the terms and conditions of this policy **we** will pay for direct physical loss or damage to **covered property** as a result of an **accident** to an **object**, unless excluded.

This policy consists of the forms and endorsements shown on the POLICY INDEX, Form RM0003, and any endorsements attached to the policy. Insurance is provided at those locations and for those coverages and **limits of liability** shown on the Schedule of this form. Extensions of coverage, sublimits of liability and deductibles are listed on this form. Endorsements may contain separate terms, conditions, deductibles and limits or sublimits of liability.

Words in **bold faced type** have special meanings in this policy. They are defined in DEFINITIONS, Form RM1007. These definitions apply to this entire policy, and to any endorsements to it. Definitions that apply to individual forms or endorsements will be italicized and noted in those forms or endorsements. The names of forms are capitalized (for example, DECLARATIONS).

B. Coverages

We provide the following coverages if they are marked with an "X". Coverages are provided in accordance with the terms of this policy. Terms that apply only to individual coverage forms are set forth in those forms. This policy provides coverage on a replacement cost basis for **real property**, **personal property**, **personal property of others** and equipment breakdown except as indicated on VALUATIONS, Form RM1005, or any other forms or endorsements attached to this policy.

☐ **Real Property**

☐ **Personal Property**, including **personal property of others** and **valuable papers and records**

☐ Equipment Breakdown

☐ Loss of **Business Income**

☐ **Real Property** or **Personal Property** only

☐ Equipment Breakdown only

☐ **Real Property** or **Personal Property** and Equipment Breakdown

☐ **Extra Expense**

☐ **Real Property** or **Personal Property** only

☐ Equipment Breakdown only

☐ **Real Property** or **Personal Property** and Equipment Breakdown

C. Limits of Liability

We will not pay more than the applicable **limit of liability** shown on the Schedule of this form for any one (1) **occurrence** or any one (1) **accident** covered by this policy, nor will **we** pay for more than **your** interest in the lost or damaged property.

D. Standard Extensions of Coverage

Refer to **A.** of EXTENSIONS OF COVERAGE, Form RM1002, for the standard extensions of coverage, including sublimits of liability, provided by this policy.

E. Optional Extensions of Coverage – Sublimits of Liability

1. The sublimits of liability shown in **E. 4.** below apply to the Optional Extensions of Coverage defined in **B.** of EXTENSIONS OF COVERAGE, Form RM1002. If no sublimit is shown, no coverage is provided.
2. If a sublimit is shown in **E. 4.** below for **miscellaneous locations**, **new locations** and **unscheduled locations**, coverage may be limited or excluded elsewhere in this policy or its endorsements.

DECLARATIONS (Continued)

3. These sublimits are the most **we** will pay for any loss covered by these Optional Extensions of Coverage. For **miscellaneous locations, new locations** and **unscheduled locations**, the most **we** will pay for any loss or damage will be the lesser of:
- a. The sublimit shown below for **miscellaneous locations, new locations** or **unscheduled locations**; or
 - b. The sublimit shown on any individual coverage form or endorsement.
4. Optional Extensions of Coverage:
- a. \$_____ Course of Construction;
 - b. \$_____ Demolition Cost;
 - c. \$_____ Increased Construction Cost;
 - d. \$_____ Operation of Building Laws;
 - e. \$_____ Errors and Omissions;
 - f. \$_____ Exhibitions, Expositions, Fairs or Trade Shows;
 - g. \$_____ at each **miscellaneous location**;
 - h. \$_____ at each **new location**, for up to _____ days from the date such **new location(s)** is first purchased or rented, whichever is earlier;
 - i. \$_____ on covered **personal property** in the custody of salespeople;
 - j. \$_____ **Transit**;
 - k. \$_____ at each **unscheduled location**.

F. Equipment Breakdown Coverage

1. Equipment Breakdown **limit of liability**

If marked with an "X" the following **limits of liability** apply:

- ☐ See the Schedule of this form;
- ☐ See Form _____; or
- ☐ **Limit(s) of liability** shown below are separate from any other applicable **limit of liability** or any sublimit of liability of this policy.
 - \$_____ Damage to covered **object(s)**, loss of **business income**, and **extra expense**;
 - \$_____ Damage to covered **object(s)** and loss of **business income**;
 - \$_____ Damage to covered **object(s)** and **extra expense**;
 - \$_____ Damage to covered **object(s)**;
 - \$_____ Loss of **business income** and **extra expense**;
 - \$_____ Loss of **business income**;
 - \$_____ **Extra expense**.

DECLARATIONS (Continued)

2. For equipment breakdown extensions of coverage see EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE, Form RM1250.

G. Deductible and waiting periods, except as indicated on any other forms or endorsements attached to this policy.

1. **Your** deductible for this policy will be according to the terms of the following paragraphs:

- a. \$_____. Unless marked with an "X" in **G. 1. b.** below, **we** will not pay unless a **covered loss** from any one (1) **occurrence** exceeds the amount shown. **We** will then pay for the excess, up to any other applicable **limit of liability**.
- b. ☐ See ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

2. **Your** equipment breakdown deductible or waiting period will be according to the terms of the following paragraphs:

- a. If **you** have a combined deductible, **we** will not pay unless a covered equipment breakdown loss from any one (1) **accident** is more than:

\$_____ for loss to covered **object(s)**, loss of **business income**, and **extra expense**;

\$_____ for loss to covered **object(s)** and loss of **business income**;

\$_____ for loss to covered **object(s)** and **extra expense**

and then only for the excess; or

- b. If **you** have more than one (1) coverage deductible shown below, **we** will not pay unless a covered equipment breakdown loss from any one (1) **accident** is more than:

\$_____ for loss to covered **object(s)**;

\$_____ for loss of **business income** and **extra expense**;

\$_____ for loss of **business income**;

\$_____ for **extra expense**;

_____ times the **average daily value** of loss of **business income** or **extra expense** during the period of interruption;

_____ hours immediately following the **accident** for loss of **business income** or **extra expense**

and then only for the excess.

However, each deductible amount marked with an asterisk (*) will apply separately to the **accident**; or

- c. **We** will not pay for loss of **business income**, **extra expense**, or, to the extent **perishable goods** coverage is provided in EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE, Form RM1250, unless a covered equipment breakdown loss from any one (1) **accident** to an **object** exceeds a waiting period of:

_____ hours. Once the waiting period is met coverage will commence at the initial time of the interruption, and will be subject to any deductible shown in **G. 2. a.** or **G. 2. b.** above and then only for the excess; or if marked with an "X" in **G. 2. d.** below.

- d. ☐ See ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

If a **covered loss** involves two (2) or more deductibles, **we** will only use the largest of the applicable deductibles unless otherwise provided in this policy or any endorsement, except that **we** will apply any deductible(s) marked with an asterisk (*) in addition to the largest of any other applicable deductibles.

DECLARATIONS (Continued)

No.	Location or Sub-location	Schedule	Coverage	Limit of Liability
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Liberty Mutual Property RM SELECT™ POLICY

DECLARATIONS

Policy number

Named Insured and Mailing Address

Form of Business

Premium Will Be Billed

Policy Period: to at 12:01 A.M. standard time at above mailing address.

In return for the payment of the premium, and subject to all the terms of this policy, **we** agree with **you** to provide the insurance as stated in this policy.

Premium (Excluding Terrorism Risk Insurance Act (TRIA) Revision and Extension Act of 2007 (TRIREA) Premium):	\$
Terrorism Risk Insurance Act (TRIA) Revision and Extension Act of 2007 (TRIREA) Premium:	\$
State or Municipal Taxes, Surcharges and Other Miscellaneous Charges: (See State or Municipal Taxes, Surcharges and Other Miscellaneous Charges Summary, Form RM0005, for breakdown)	\$

Total Premium/Other Charges for Above **Policy Period:** \$
The Deposit Premium/Other Charges is: \$

Issued By:

Countersigned By:

Authorized Company Representative OR Countersignature (as required)

DECLARATIONS (Continued)

1. A. Insuring Agreement

Subject to all the terms and conditions of this policy, **we** will pay for **risks of** direct physical loss or damage to **covered property** as a result of an **occurrence**, unless excluded.

If this policy provides Equipment Breakdown coverage then subject to all the terms and conditions of this policy **we** will pay for direct physical loss or damage to **covered property** as a result of an **accident** to an **object**, unless excluded.

This policy consists of the forms and endorsements shown on the POLICY INDEX, Form RM0003, and any endorsements attached to the policy. Insurance is provided at those locations and for those coverages and **limits of liability** shown on the Schedule of ~~the DECLARATIONS~~ **this form**. Extensions of coverage, sublimits of liability and deductibles are listed ~~in the DECLARATIONS~~ **on this form**. Endorsements may contain separate **terms, conditions**, deductibles and limits or sublimits of liability.

Words in **bold faced type** have special meanings in this policy. They are defined in DEFINITIONS, Form RM1007. These definitions apply to this entire policy, and to any endorsements to it. Definitions that apply to individual forms or endorsements will be *italicized and* noted in those forms or endorsements. The names of forms are capitalized (for example, DECLARATIONS).

2. B. Coverages

We provide the following coverages if they are marked with an "X". Coverages are provided in accordance with the terms of this policy. Terms that apply only to individual coverage forms are set forth in those forms. This policy provides coverage on ~~an actual-cash-value~~ **a replacement cost** basis for ~~Real Property, Personal Property, personal property of others~~ **Real Property, Personal Property, personal property of others** and Equipment Breakdown ~~unless replacement cost coverage is marked with an "X"~~ **unless replacement cost coverage is marked with an "X"** except as indicated on VALUATIONS, Form RM1005, or any other forms or endorsements attached to this policy.

() Real Property

~~() Replacement Cost~~

() Personal Property, including **personal property of others** and **valuable papers and records**

~~() Replacement Cost~~

() Equipment Breakdown

~~() Replacement Cost~~

() Loss of **Business Income**

() **Real Property** or **Personal Property** only

() Equipment Breakdown only

() **Real Property** or **Personal Property** and Equipment Breakdown

() **Extra Expense**

() **Real Property** or **Personal Property** only

() Equipment Breakdown only

() **Real Property** or **Personal Property** and Equipment Breakdown

3. C. Limits of Liability

We will not pay more than the applicable **limit of liability** shown on the Schedule of ~~the DECLARATIONS~~ **this form** for any one (1) **occurrence** or any one (1) **accident** covered by this policy, nor will **we** pay for more than **your** interest in the lost or damaged property.

4. D. Standard Extensions of Coverage

Debris Removal Expense \$ _____ Sublimit of Liability _____

Refer to A. of EXTENSIONS OF COVERAGE, Form RM1002, for the standard extensions of coverage, including sublimits of liability, provided by this policy.

DECLARATIONS (Continued)

5. E. Optional Extensions of Coverage – Sublimits of Liability

- A. 1.** The sublimits of liability shown in **D. E. 4.** below apply to the Optional Extensions of Coverage defined in **B.** of EXTENSIONS OF COVERAGE, Form RM1002. If no sublimit is shown, no coverage is provided.
- B. 2.** If a sublimit is shown in **D. E. 4.** below for **miscellaneous locations, new locations** and **unscheduled locations**, coverage may be limited or excluded elsewhere in this policy or its endorsements.
- C. 3.** These sublimits are the most **we** will pay for any loss covered by these Optional Extensions of Coverage. For **miscellaneous locations, new locations** and **unscheduled locations**, the most **we** will pay for any loss or damage will be the lesser of:
- (1) **a.** The sublimit shown below for **miscellaneous locations, new locations** or **unscheduled locations**; or
- (2) **b.** The sublimit shown on any individual coverage form or endorsement.

D. 4. Optional Extensions of Coverage:

- (1) **a.** \$ _____ at each **new location**, for up to _____ days from the date such **new location(s)** is first purchased, rented, or occupied whichever is earlier **Course of Construction**;
- (2) **b.** \$ _____ at each **unscheduled location** **Demolition Cost**;
- (3) **c.** \$ _____ on covered **Personal Property in transit** **Increased Construction Cost**;
- (4) **d.** \$ _____ on covered **Personal Property** in the custody of salespeople **Operation of Building Laws**;
- (5) **e.** \$ _____ **Demolition Cost, Operation of Building Laws and Increased Construction Cost Errors and Omissions**;
- (6) **f.** \$ _____ **Errors and Omissions Exhibitions, Expositions, Fairs or Trade Shows**;
- g.** \$ _____ at each **miscellaneous location**;
- h.** \$ _____ at each **new location**, for up to _____ days from the date such **new location(s)** is first purchased or rented, whichever is earlier;
- i.** \$ _____ on covered **personal property** in the custody of salespeople;
- j.** \$ _____ **Transit**;
- k.** \$ _____ at each **unscheduled location**.

6. F. Equipment Breakdown Coverage

1. Equipment Breakdown **limit of liability**

If marked with an "X" the following **limits of liability** apply:

- () See the Schedule of the **DECLARATIONS** this form;
- () See Form _____; or
- () **Limit(s) of liability** shown below are separate from any other applicable **limit of liability** or any sublimit of liability of this policy.
- ⊕ \$ _____ Damage to covered **object(s)**, loss of **Business Income**, and **Extra Expense**;

OR

DECLARATIONS (Continued)

⊖ \$ _____ Damage to covered **object(s)**; and loss of **business income**;

⊖ \$ _____ Damage to covered **object(s)** and **extra expense**;

⊖ \$ _____ Damage to covered **object(s)**;

⊖ \$ _____ Loss of **business income** and **extra expense**;

⊖ \$ _____ Loss of **business income**;

⊖ \$ _____ **Extra expense**.

Equipment Breakdown Extensions of Coverage

⊖ See Form RM1250, EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE

2. For equipment breakdown extensions of coverage see EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE, Form RM1250.

7. **G.** Deductible and waiting periods, except as indicated on any other forms or endorsements attached to this policy.

A. 1. Your deductible for this policy will be according to the terms of the following paragraphs; ~~marked with an "X".~~

~~(1)~~ **a.** ⊖ \$ _____. Unless marked with an "X" in **G. 1. b.** below, ~~we~~ we will not pay unless a **covered loss** from any one (1) **occurrence** exceeds the amount shown. **We** will then pay for the excess, up to any other applicable **limit of liability**.

~~(2)~~ **b.** ⊖ See ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

B. 2. Your ~~Equipment Breakdown~~ deductible ~~and~~ or waiting period will be according to the terms of the following paragraphs:

~~(1)~~ **a.** If you have a combined deductible, ~~we~~ we will not pay unless a covered equipment breakdown loss from any one (1) **accident** is more than:

⊖ \$ _____ for loss to covered **object(s)**, loss of **business income**, and **extra expense**;

OR

⊖ \$ _____ for loss to covered **object(s)** and loss of **business income**;

\$ _____ for loss to covered **object(s)** and **extra expense**

and then only for the excess; or

b. If you have more than one (1) coverage deductible shown below, **we** will not pay unless a covered equipment breakdown loss from any one (1) **accident** is more than:

\$ _____ for loss to covered **object(s)**;

⊖ \$ _____ for loss of **business income** and **extra expense**;

⊖ \$ _____ for loss of **business income**;

⊖ \$ _____ for **extra expense**;

⊖ _____ times the **average daily value** of loss of **business income** or **extra expense** during the ~~period of recovery~~ period of interruption;

_____ hours immediately following the **accident** for loss of **business income** or **extra expense**

DECLARATIONS (Continued)

and then only for the excess.

However, each deductible amount marked with an asterisk (*) will apply separately to the **accident**; or

- (2) **c.** We will not pay for loss of **business income, extra expense**, or, to the extent **perishable goods** coverage is provided in EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE, Form RM1250, unless a covered equipment breakdown loss from any one (1) **accident** to an **object** exceeds a waiting period of:

⊖ _____ hours. ~~and any deductible if indicated in B. (1) above for loss of Business Income or Extra Expense~~; Once the waiting period is met coverage will commence at the initial time of the interruption, and will be subject to any deductible shown in **G. 2. a.** or **G. 2. b.** above and then only for the excess; or if marked with an "X" in **G. 2. d.** below.

d. () See ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115.

- ⊖ If a **covered loss** involves two (2) or more deductibles, **we** will only use the largest of the applicable deductibles unless otherwise provided in this policy or any endorsement; except that **we** will apply any deductible(s) marked with an asterisk (*) in addition to the largest of any other applicable deductibles.

DECLARATIONS (Continued)

No.	Location or Sub-location	Schedule	Coverage	Limit of Liability
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COVERAGES

- A.** If coverage for **real property** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for a **covered loss** to **your real property** at or within one-thousand (1,000) feet of a **covered location**.
- B.** If coverage for **personal property** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for a **covered loss** to **your personal property**, including **personal property of others** and **valuable papers and records**, at or within one-thousand (1,000) feet of a **covered location**.
- C.** If coverage for loss of **business income** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for:
- 1.** The actual loss of **business income you** incur during a **period of restoration** directly resulting from damage by a **peril insured against** to the type of property covered by this policy at a **covered location**.
 - 2.** The necessary expenses **you** incur in excess of **your** normal operating expenses that reduces **your** loss of **business income**. **We** will not pay more than **we** would pay if **you** had been unable to make up lost production or continue operations or services.
 - 3.** The actual loss of **business income you** incur if **you** are denied access to a **covered location** by order of civil or military authority if:
 - a.** the order results from a **covered loss**; or
 - b.** the order results from damage by a **peril insured against** to the type of property covered by this policy within one (1) statute mile of a **covered location**.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date of the order.

- 4.** The actual loss of **business income you** incur if **your** ingress to or egress from a **covered location** is prevented as the direct result of a **peril insured against** to the type of property covered by this policy within one (1) statute mile of a **covered location**.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date **your** ingress or egress is first prevented.

- 5.** In determining the actual loss of **business income**, consideration must be given to:
 - a.** The experience of the business before the loss and the probable experience after the loss;
 - b.** The continuation of only those normal charges and expenses that would have been incurred had no interruption of production or suspension of business operations or services happened;
 - c.** The demonstration of an actual loss of sales, income, or rental income; and
 - d.** Any amount recovered, at selling price, for loss or damage to merchandise that will be considered to have been sold.
- 6.** **We** will not pay unless **you** are wholly or partially prevented from:
 - a.** producing goods; or
 - b.** continuing business operations or services.

COVERAGES (Continued)

7. **You** are required to mitigate **your** loss by:

- a. Making up lost production within a reasonable period of time not limited to the **period of restoration**.
- b. Continuing business operations or services during the **period of restoration**.
- c. Using any property or service:
 - (1) owned or controlled by **you**; or
 - (2) obtainable from any other sources.
- d. Working extra time or overtime.
- e. Using inventory.

We will not pay for any loss to the extent it can be reduced through these or any other means whether at a **covered location** or any other location.

8. **We** will not pay for:

- a. Any loss during any idle period. Idle period includes, but is not limited to, any period when production, operation or service would cease or be prevented due to:
 - (1) physical damage not insured under this policy on or away from the **covered location**;
 - (2) planned or rescheduled shutdown or maintenance;
 - (3) strikes or other work stoppage; or
 - (4) any reason other than a **covered loss**.
- b. Any increase in loss due to:
 - (1) suspension, cancellation or lapse of any lease, contract, license or order.
 - (2) fines or damage for breach of contract for late or non-completion of orders, or for penalties of any nature.
- c. Any consequential, indirect or remote loss.
- d. Any loss resulting from damage to:
 - (1) finished goods manufactured by **you**, nor for the time required for their reproduction.
 - (2) property in **transit**.
- e. Any loss or expense recoverable elsewhere in this policy.

9. The most **we** will pay for a loss under this coverage is the lesser of:

- a. **Your** actual loss of **business income** and necessary expense; or
- b. The applicable **limit of liability** shown on the Schedule of the DECLARATIONS, Form RM1000, or any endorsements to this policy.

COVERAGES (Continued)

D. If coverage for **extra expense** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we** will pay for:

1. The actual **extra expense you** incur during a **period of restoration** directly resulting from damage by a **peril insured against** to the type of property covered by this policy at a **covered location**.
2. The actual **extra expense you** incur if **you** are denied access to a **covered location** by order of civil or military authority if:
 - a. the order results from a **covered loss**; or
 - b. the order results from damage by a **peril insured against** to the type of property covered by this policy within one (1) statute mile of a **covered location**.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date of the order.

3. **We** will not pay for:
 - a. Loss of **business income**.
 - b. Costs which would have been incurred in conducting **your** business during the same period had no **covered loss** happened.
 - c. The cost of permanent repair or replacement of property that has been damaged or destroyed.
 - d. Any loss during any idle period. Idle period includes, but is not limited to, any period when production, operation or service would cease or be prevented due to:
 - (1) physical damage not insured under this policy on or away from the **covered location**;
 - (2) planned or rescheduled shutdown or maintenance;
 - (3) strikes or other work stoppage; or
 - (4) any reason other than a **covered loss**.
 - e. Any increase in loss due to:
 - (1) suspension, cancellation or lapse of any lease, contract, license or order.
 - (2) fines or damage for breach of contract for late or non-completion of orders, or for penalties of any nature.
 - f. Any consequential, indirect or remote loss.
 - g. Any loss resulting from damage to:
 - (1) finished goods manufactured by **you**, nor for the time required for their reproduction.
 - (2) property in **transit**.
 - h. Any loss or expense recoverable elsewhere in this policy.

COVERAGES (Continued)

4. The most **we** will pay for a loss under this coverage is the lesser of:
 - a. **Your** actual **extra expense**; or
 - b. The applicable **limit of liability** shown on the Schedule of the DECLARATIONS, Form RM1000, or any endorsements to this policy.
- E. If coverage for equipment breakdown is provided as shown in **B**. Coverages of the DECLARATIONS, Form RM1000, the following provisions apply to loss or damage that results from or is caused by an **accident** to a covered **object**:
 1. Exclusions **B. 9.**, **B. 10.**, **B. 11.** and **B. 12.** in EXCLUSIONS, Form RM1003, do not apply to a **covered loss** that result from an **accident** to covered **object(s)**.
 2. **We** will pay if an **accident** to covered **object(s)** causes:
 - a. Loss to property **you** own;
 - b. Loss to the property of others in **your** care, custody or control and for which **you** are legally liable.
 3. If direct loss or damage to an electrical **object(s)** results from the peril of **flood we** will pay for the amount **you** actually expend to dry out the **object(s)**.

Our payment to **you** will:

 - a. Be subject to the applicable direct damage **limit of liability** and deductible as shown in **F. 1.** and **G. 2.** of the DECLARATIONS, Form RM1000, for damage to covered **object(s)**; and
 - b. Not exceed the value of the damaged **object(s)**.

COVERAGES

~~A.~~ If coverage for ~~Real or Personal Property~~ is provided as shown in ~~2.~~ **B.** Coverages of the DECLARATIONS, Form RM1000, ~~we will pay for:~~ **C. Covered loss to your real property, personal property or personal property of others** at or within one-thousand (1,000) feet of a ~~location shown on the Schedule of the DECLARATIONS~~ **covered location**.

~~B.~~ If coverage for **personal property** is provided as shown in **B.** Coverages of the DECLARATIONS, Form RM1000, **we will pay for a covered loss to your personal property, including personal property of others and valuable papers and records, at or within one-thousand (1,000) feet of a covered location.**

~~B.~~ **C.** If coverage for loss of ~~B. Business Income~~ is provided as shown in ~~2.~~ **B.** Coverages of the DECLARATIONS, Form RM1000, **we will pay for:**

1. The actual loss of **business income**, ~~you~~ incur during a **period of restoration** directly resulting from a ~~covered loss~~, damage by a **peril insured against** to the type of property covered by this policy at a **covered location**.
2. The necessary expenses ~~you~~ incur, in excess of **your** normal operating expenses that reduces **your** loss of **business income**. **We** will not pay more than **we** would pay if **you** had been unable to make up lost production or continue operations or services.
3. The actual loss of **business income** ~~you~~ incur during a ~~period of restoration~~, if **you** are denied access to a **covered location** by order of civil or military authority if:
 - ~~(a)~~ **a.** the order results from a **covered loss**; or
 - ~~(b)~~ **b.** the order results from damage by a **peril insured against** to the type of property covered by this policy, within one (1) statute mile of a **covered location** ~~and is within the jurisdiction of the authority issuing the order.~~

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date of the order.

4. The actual loss of **business income** ~~you~~ incur during a ~~period of restoration~~, if **your** ingress to or egress from a **covered location** is prevented, ~~As the direct result of a~~ **peril insured against** to the type of property covered by this policy, within one (1) statute mile of a **covered location**.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date **your** ingress or egress is first prevented.

5. In determining the actual loss of **business income**, consideration must be given to:
 - ~~(a)~~ **a.** The experience of the business before the loss and the probable experience after the loss;
 - ~~(b)~~ **b.** The continuation of only those normal charges and expenses that would have been incurred had no interruption of production or suspension of business operations or services happened;
 - ~~(c)~~ **c.** The demonstration of an actual loss of sales, ~~or income;~~ **or rental income;** and
 - ~~(d)~~ **d.** Any amount recovered ~~under property damage coverages, at selling price, for loss or damage to merchandise which that~~ will be considered to have been sold.
6. **We** will not pay unless **you** are wholly or partially prevented from:
 - ~~(a)~~ **a.** producing goods; or

COVERAGES (Continued)

~~(b)~~ **b.** continuing business operations or services.

7. You are required to mitigate **your** loss by:

~~(a)~~ **a.** Making up lost production within a reasonable period of time not limited to the **period of restoration**.

~~(b)~~ **b.** Continuing business operations or services during the **period of restoration**.

~~(c)~~ **c.** Using any property or service:

(1) owned or controlled by **you**; or

(2) obtainable from any other sources.

~~(d)~~ **d.** Working extra time or overtime.

~~(e)~~ **e.** Using inventory.

We will not pay for any loss to the extent it can be reduced through these or any other means whether at a **covered location** or any other location.

8. We will not pay for:

~~(a)~~ **a.** Any loss during any idle period. Idle period includes, but is not limited to, any period when production, operation or service would cease or be prevented due to:

(1) physical damage not insured under this policy on or away from the **covered location**;

(2) planned or rescheduled shutdown or maintenance;

(3) strikes or other work stoppage; **or**

(4) any reason other than a **covered loss**.

~~(b)~~ **b.** Any increase in loss due to:

(1) suspension, cancellation or lapse of any lease, contract, license or order.

(2) fines or damage for breach of contract for late or non-completion of orders, or for penalties of any nature.

~~(c)~~ **c.** Any consequential, indirect or remote loss; **;**

~~(d)~~ **d.** Any loss resulting from damage to:

(1) finished goods manufactured by **you**; **;** nor for the time required for their reproduction.

(2) property in **transit**.

~~(e)~~ **e.** Any loss or expense recoverable elsewhere in this policy.

9. The most **we** will pay for a loss under this coverage is the lesser of:

~~(a)~~ **a.** **Your** actual loss of **business income** and necessary expense; or

COVERAGES (Continued)

~~(b)~~ **b.** The applicable **limit of liability** shown on the Schedule of the DECLARATIONS, Form RM1000, or any endorsements to this policy.

~~C.~~ **D.** If coverage for ~~E.~~ **Extra Expense** is provided as shown in ~~2.~~ **B.** Coverages of the DECLARATIONS, Form RM1000, we will pay for:

1. The actual **extra expense you** incur during a **period of restoration** directly resulting from a ~~covered loss.~~ damage by a **peril insured against** to the type of property covered by this policy at a **covered location**.
2. The actual **extra expense you** incur; if **you** are denied access to a **covered location** by order of civil or military authority if:
 - ~~(a)~~ **a.** the order results from a **covered loss**; or
 - ~~(b)~~ **b.** the order results from damage by a **peril insured against** to the type of property covered by this policy; within one (1) statute mile of a **covered location** and is within the jurisdiction of the authority issuing the order.

This coverage will apply for a period not to exceed twenty-one (21) consecutive days from the date of the order.

3. We will not pay for:

- ~~(a)~~ **a.** Loss of **business income**.
- ~~(b)~~ **b.** Costs which would have been incurred in conducting **your** business during the same period had no **covered loss** happened.
- ~~(c)~~ **c.** The cost of permanent repair or replacement of property that has been damaged or destroyed.
- ~~(d)~~ **d.** Any loss during any idle period. Idle period includes, but is not limited to, any period when production, operation or service would cease or be prevented due to:
 - (1) physical damage not insured under this policy on or away from the **covered location**;
 - (2) planned or rescheduled shutdown or maintenance;
 - (3) strikes or other work stoppage; or
 - (4) any reason other than a **covered loss**.
- ~~(e)~~ **e.** Any increase in loss due to:
 - (1) suspension, cancellation or lapse of any lease, contract, license or order.
 - (2) fines or damage for breach of contract for late or non-completion of orders, or for penalties of any nature.
- ~~(f)~~ **f.** Any consequential, indirect or remote loss.
- ~~(g)~~ **g.** Any loss resulting from damage to:
 - (1) finished goods manufactured by **you**; nor for the time required for their reproduction.
 - (2) property in **transit**.
- ~~(h)~~ **h.** Any loss or expense recoverable elsewhere in this policy.

COVERAGES (Continued)

4. The most **we** will pay for a loss under this coverage is the lesser of:

~~(a)~~ **a.** Your actual extra expense; or

~~(b)~~ **b.** The applicable **limit of liability** shown on the Schedule of the DECLARATIONS, Form RM1000, or any endorsements to this policy.

~~D.~~ **E.** If coverage for ~~E~~quipment ~~B~~breakdown is provided as shown in ~~2.~~ **B.** Coverages of the DECLARATIONS, Form RM1000, the following provisions apply to loss or damage that results from or is caused by an **accident** to a covered **object**:

1. Exclusions **B. 9.**, **B. 10.**, **B. 11.** and **B. 12.** in EXCLUSIONS, Form RM1003, do not apply to a **covered loss** that results from an **accident** to covered **object(s)**.

2. **We** will pay if an **accident** to covered **object(s)** causes:

~~(a)~~ **a.** Loss to property **you** own;

~~(b)~~ **b.** Loss to the property of others in **your** care, custody or control and for which **you** are legally liable.

3. If direct loss or damage to an electrical **object(s)** results from the peril of **flood we** will pay for the amount **you** actually expend to dry out ~~such~~ the **object(s)**.

Our payment to **you** will:

~~(a)~~ **a.** Be subject to the applicable direct damage **limit of liability** and deductible as shown in ~~6.~~ **F. 1.** and ~~7.-B.~~ **G. 2.** of the DECLARATIONS, Form RM1000, for damage to covered **object(s)**; and

~~(b)~~ **b.** Not exceed the value of the damaged **object(s)**.

EXTENSIONS OF COVERAGE

A. Standard Extensions of Coverage

In the event of a **covered loss**, the coverage provided by this policy is extended as follows:

1. Accounts Receivable

- a. We will pay up to a **limit of liability** of \$100,000 for the following expenses **you** incur directly resulting from loss or damage by a **peril insured against to your** records of accounts receivable at a **covered location**:

- (1) Amounts due **you** from customers that **you** are unable to collect;
- (2) Interest charges on any loan to offset amounts **you** are unable to collect, pending **our** payment of those amounts;
- (3) Collection expense above **your** normal collection expense; and
- (4) Reasonable expenses **you** incur to reestablish **your** records of accounts receivable.

- b. For the purposes of this extension of coverage, the following additional exclusions apply and **we** will not pay for:

- (1) Any loss that requires an audit or inventory to establish its existence;
- (2) Any fraudulent, dishonest or criminal act done by:
 - (a) Anyone entrusted with the accounts receivables, including their employees and agents; or
 - (b) Anyone having an interest in the accounts receivable.

This exclusion does not apply to the acts of a carrier for hire.

- (3) Bookkeeping, accounting, or billing errors or omissions.
 - (4) Wrongful alteration, falsification, manipulation, concealment, destruction, or disposal of records of accounts receivable, committed to conceal the wrongful giving, taking, getting, or withholding of money, securities, or other property.
- c. When records of accounts receivable have been damaged or destroyed, **you** must use all reasonable efforts, including legal action if necessary, to obtain collection of any outstanding accounts receivable, and **we** will pay such costs and expenses of obtaining collection to the extent they reduce **your** loss.
- d. When records of accounts receivable have been damaged or destroyed, **you** will use any property or service owned or controlled by **you** or obtainable from other sources in order to reduce **your** loss.
- e. If **you** are unable to accurately determine the amount of outstanding accounts receivable at the time of loss, **our** payment will be calculated in the following manner:

Your average monthly accounts receivable amount, based on the twelve (12) months preceding the loss, adjusted for normal fluctuations in the month in which the loss occurs, or for any demonstrated variance for that month.

EXTENSIONS OF COVERAGE (Continued)

- f. The following will be deducted from the total amount of accounts receivable, regardless of the method used to determine that amount:

- (1) Balances for accounts not damaged or affected by the loss;
- (2) Amounts of accounts **you** are able to reestablish and collect;
- (3) An allowance for bad debts **you** are not normally able to collect; and
- (4) All unearned interest and service charges.

2. Arson Reward

If one (1) or more **covered losses** are caused by or result from any fires of a suspicious nature, **we** will pay a \$25,000 reward to an individual or individuals provided:

- a. The individual(s) report(s) the suspected arsonist to local law enforcement officials; and
- (1) The arsonist is apprehended, brought to trial, and convicted of arson to **your covered property**; or
 - (2) The arsonist is apprehended, confesses and/or pleads guilty to arson to **your covered property** without going to trial.
- b. **Our** payment of this reward will not be increased by:
- (1) The number of individuals reporting the arsonist(s);
 - (2) The number of arsonists involved in the **covered loss**; or
 - (3) The number of **covered losses**.

No deductible applies to this extension of coverage.

3. Computer Virus and Denial of Access

We will pay up to \$25,000 for loss or damage to, or any cost, claim or expense caused by or resulting directly or indirectly from any of the following, regardless of any other cause or event that contributes to the loss, damage, cost, claim or expense at the same time or in any sequence:

- a. The introduction of a malicious code, program, virus, worm, Trojan Horse program, macro time or logic bomb or similar unauthorized instruction which is designed or intended to damage, corrupt, destroy, distort, or delete any part of the system or disrupt its normal operation, into any of the following, whether owned by **you** or others:
- (1) **Data processing equipment, software, data, or media**;
 - (2) Information repository;
 - (3) Hardware or **software** based computer operating systems;
 - (4) Microprocessors;
 - (5) Integrated circuits;
 - (6) Computer networks;

EXTENSIONS OF COVERAGE (Continued)

(7) Website service; or

(8) Any other electronic equipment, computerized equipment, or similar device.

- b. A change in the functionality, availability, operation, use of accessibility to or operation of any of the items described in **3. a. (1) - (8)** above.

4. Debris Removal Expense

- a. **We** will pay for the expense to remove the debris from a **covered loss**. **We** will only pay these expenses if **we** receive immediate written notice of the **covered loss** and if these expenses are reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**.
- b. Debris removal expense is limited to a sublimit of liability of \$250,000.
- c. **We** will pay up to \$25,000 for expenses to remove from a **covered location**, windblown debris of property not covered by this policy.
- d. Debris removal expense does not include any costs to clean up or remove **pollutants, fungus, bacteria, wet or dry rot, or decay**.

5. Deferred Payments

- a. **We** will pay up to a sublimit of liability of \$25,000 for the unpaid balance owed **you** for **covered loss** to **your personal property** sold by **you** under a conditional sale or trust agreement or any installment or deferred payment plan after the **personal property** has been delivered to **your** client and is now in their care, custody and control.
- b. In the event of **covered loss** to **personal property** sold under any of the payment plans shown in **5. a.** above, **you** will use all reasonable effort, including legal action against **your** client, to:
- (1) Collect any outstanding balance due **you**; or
- (2) Regain possession of the **personal property**.
- c. **We** will not pay for loss or damage caused by or resulting from:
- (1) A recall of **your** product. This includes but is not limited to **your** cost to recall, test or to advertise the recall.
- (2) Theft or conversion of **your personal property** sold under any payment plan shown in **5. a.** above by **your** client after they have taken possession of the **personal property**.
- d. This extension of coverage only applies to **your personal property** sold under any of the payment plans shown in **5. a.** above that is located within the territory of this policy.
- e. Coverage provided by this extension does not apply if **your** client continues with their payments.

6. Duty to Defend

We will defend that part of any suit against **you** involving **personal property of others** when all of the following conditions exist:

- a. The suit seeks payment for physical loss or damage to the **personal property of others**; and

EXTENSIONS OF COVERAGE (Continued)

- b. The physical loss or damage is caused by a **peril insured against**; and
- c. The physical loss or damage takes place while the **personal property of others** is in **your** custody; and
- d. The **personal property of others** is the type of property covered by this policy.

We will do so even if such suit is groundless, false or fraudulent, but **we** may, without prejudice, make such investigation, negotiation and settlement of any claim or suit, as **we** deem appropriate.

7. Extended **Period of Restoration**

- a. If loss of **business income** coverage is provided, **we** will pay the actual loss of **business income you** sustain due to a reduction in sales, earnings or rental income that directly results from direct physical loss or damage to **your covered property** by a **peril insured against**, for the additional time required, when **you** use reasonable speed, to restore **your** business to the condition it would have been in if no loss had occurred. This additional time starts with the time when the **period of restoration** would end, and continues for no more than sixty (60) consecutive days immediately following the **period of restoration**.
- b. This extension of coverage does not apply if **you** elect not to either repair or replace **your covered property**, or to resume the operation of **your** business. For purposes of this extension of coverage the exclusions and restrictions in this policy regarding loss of **your** market share do not apply to any claim made under this extension of coverage.

8. Fire Department Charges

We will pay charges **you** incur when the fire department is called to save or protect **covered property** from a **covered loss**.

9. Fine Arts

We will pay up to a sublimit of liability of \$100,000 for **covered loss to your fine arts**. We will not however pay for:

- a. Loss or damage sustained from any repair, restoration, or retouching process;
- b. Breakage of art glass windows, statuary, marble, glassware, bric-a-brac, porcelains, and similar fragile articles, unless caused by fire, lightning, aircraft, theft and or attempted theft, windstorm, **earth movement, flood**, explosion, vandalism, collision, derailment or overturn of conveyance; or
- c. Loss or damage to **your fine arts** while away from a **covered location**.

10. Fungus Cleanup Expense

- a. If **fungus** results from a **covered loss** due to fire or lightning, **we** will pay up to the applicable **limit of liability** for the cost and expense:
 - (1) To remove **fungus** from **covered property** at a **covered location**;
 - (2) To repair or replace any undamaged portion of **covered property** at a **covered location** that must be removed to gain access to **fungus** in order to remove it; and
 - (3) To test for the presence of **fungus** on **covered property** at a **covered location** after **fungus** has been removed as provided by this extension.

EXTENSIONS OF COVERAGE (Continued)

- b. If **fungus** results from a **covered loss** due to a **peril insured against** other than fire or lightning, **we** will pay up to \$250,000 for the costs and expenses outlined in **10. a. (1) – (3)** of this extension of coverage.
- c. In order for this extension of coverage to apply **we** must receive immediate written notice of the **covered loss**, and these costs and expenses must be reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**.
- d. The removal and testing for **fungus** does not include any costs to remove **pollutants**.

11. Installation of **Personal Property** or **Personal Property of Others**

We will pay up to \$250,000 for direct physical loss or damage by a **peril insured against** to **your personal property**, or **personal property of others**, which **you** have sold under an installation agreement, if **your** responsibility continues until the purchaser accepts the installation. Installation coverage applies to any non-owned location within the policy territory.

12. Lock and Key Replacement

- a. When a master key or grand master key is lost or damaged from a **covered loss**, **we** will pay the lesser of:
 - (1) The actual cost to replace keys;
 - (2) The cost to rekey or reprogram the current locks to accept new keys; or
 - (3) When needed, new locks including the installation and reprogramming of the new locks.
- b. The most **we** will pay in any one (1) **occurrence** for this extension of coverage is a sublimit of liability of \$25,000.

13. **Personal Property** of Employees

We will pay for loss or damage by a **peril insured against** to the **personal property** (other than vehicles) of **your** employees when such property is at a **covered location** or being used by the employee in the course of employment. **We** will not pay for any loss or damage to such property that occurs at the employee's residence.

14. Plants, Trees or Shrubs

We will pay up to a sublimit of liability of \$100,000 for a **covered loss** to plants, trees and shrubs, however loss or damage caused by freezing, disease or drought is excluded.

15. **Pollution** Cleanup Expense

- a. **We** will pay to remove **pollutants** from **covered property** at a **covered location** if the **pollution** results from a **specified peril**, subject to the applicable **limit of liability**.
- b. **We** will pay up to an annual aggregate **limit of liability** of \$25,000 to remove **pollutants** from **covered property** at a **covered location**, if the **pollution** results from a **peril insured against** other than a **specified peril**.
- c. If **pollution** results from a **peril insured against**, **we** will pay up to an annual aggregate **limit of liability** of \$25,000:
 - (1) To remove **pollutants** from land, soil, surface or ground water upon, within, beneath or comprising a **covered location**; or
 - (2) For testing performed in the course of extracting the **pollutants** from **covered locations**.

EXTENSIONS OF COVERAGE (Continued)

We will pay for removal or testing after a **covered loss** that occurs during the **policy period**.

We will only pay these expenses if **we** receive immediate written notice of the **covered loss** and if these expenses are reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**.

16. Professional Fees

- a. We will pay up to \$25,000 for the reasonable costs **you** incur, for auditors, architects, accountants and engineers who undertake to accurately determine the details of **your** business in order to determine the extent of a **covered loss**.
- b. Professional fees do not include:
 - (1) any fees or expenses of attorneys;
 - (2) any fees or expenses of public adjusters or any of their subsidiaries or associated entities;
 - (3) fees based on a contingency; or
 - (4) the cost of **your** own employees.

17. Removal

- a. We will pay the actual costs or expenses **you** incur:
 - (1) to remove **covered property** from locations endangered by a **peril insured against**; and
 - (2) to return the **covered property** to the original location it had been removed from once the danger by a **peril insured against** has ended.
- b. When **covered property** has been removed for this reason, it will be insured against loss or damage from a **peril insured against** at the temporary location according to the following terms:
 - (1) For up to ninety (90) days at each place to which the property has been taken for preservation;
 - (2) The applicable **limit of liability** will apply to each temporary location on a pro rata basis, based on the value **your covered property** stored at that location bears to the total value of **covered property** originally insured at the endangered location.

The sublimits of liability, rewards or other amounts payable under these standard extensions of coverage do not increase and are not in addition to any other applicable **limit of liability**.

B. Optional Extensions of Coverage

These extensions of coverage apply only if the applicable sublimit of liability is shown in **E. Optional Extensions of Coverage – Sublimits of Liability** of the DECLARATIONS, Form RM1000.

1. Course of Construction

- a. We will pay for direct physical loss or damage to **real property** of the type insured by this policy, including new additions and buildings at an existing **covered location**, that **you** begin to construct during the **policy period**.
 - (1) This coverage only applies for sixty (60) days from the date **you** begin construction.

EXTENSIONS OF COVERAGE (Continued)

(2) To continue this coverage beyond the sixty (60) days, **you** must:

- (a) Report newly constructed **real property** to **us** prior to the end of that sixty (60) day period; and
- (b) Pay premium from the date **you** begin construction.

b. We will also pay under this extension of coverage for materials, supplies, machinery, equipment and fixtures, including those that are **personal property of others**, which are:

- (1) Intended by **you** for use in construction; and
- (2) Located on the construction site awaiting use in construction.

c. This coverage only applies to the construction of **real property you** intend to own or occupy once constructed.

2. Errors and Omissions

If a **covered loss** is not payable under this policy solely because of an error or unintentional omission made by **you**:

- a.** In the description of where **covered property** is physically located;
- b.** To include any location:
 - (1) owned, rented or leased by **you** on the **effective date** of this policy; or
 - (2) purchased, rented or leased by **you** during the term of the policy; or
- c.** That results in cancellation of the property insured under this policy, except for cancellation due to nonpayment of premium.

Then **we** will pay the amount **we** would have paid had the error or omission not been made, but not exceeding the **limit of liability** provided for Errors and Omissions shown on the DECLARATIONS, Form RM1000.

This coverage does not apply, however, if coverage is found, in whole or in part, elsewhere in this policy.

3. Exhibitions, Expositions, Fairs or Trade Shows

We will pay for loss or damage to **your personal property** while at an exhibition, exposition, fair or trade show.

Coverage also applies while **your personal property** is being transported between a **covered location** and the location of the exhibition, exposition, fair or trade show.

4. Miscellaneous Locations

Miscellaneous locations are insured for coverages marked with an "X" in **B.** Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement.

5. New Locations

- a. New locations** are insured for coverages marked with an "X" in **B.** Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement for the period of time specified in **E. 4. h.** of the DECLARATIONS, Form RM1000.

EXTENSIONS OF COVERAGE (Continued)

b. To continue this coverage beyond the time frame specified, **you** must:

- (1) Report **new locations** to **us** prior to the end of the period specified on the DECLARATIONS, Form RM1000; and
- (2) Pay premium from the date **you** purchase or rent these **new locations**.

6. Demolition Cost, Increased Construction Cost and Operation of Building Laws

a. In the event of a **covered loss**, **we** will pay:

(1) Demolition Cost

The cost incurred to demolish all or part of **your covered real property**, including the cost to clear the site, if any law or ordinance that exists at the time of loss requires such demolition.

(2) Increased Construction Cost

The increased cost **you** incur for materials and labor required to rebuild the damaged portion of **your real property** at the same location and in a manner that satisfies the minimum requirements of the applicable law or ordinance existing at the time of the loss.

(3) Operation of Building Laws

The cost **you** incur to rebuild at the same location any undamaged part of **your real property** that is required by law to be demolished after a **covered loss**, excluding any costs associated with demolition. **We** will only pay the costs to satisfy the minimum requirements of the applicable law or ordinance that exists at the time of the loss.

b. **We** will not pay for any of these costs:

- (1) Unless they are incurred within two (2) years from the date of loss.
- (2) If they are incurred due to any law or ordinance that:
 - (a) **You** were required to comply with before the loss, even if the building was undamaged; and
 - (b) **You** failed to comply with.
- (3) If they are associated with any demolition, abatement, removal, cleanup, debris removal, repair, monitoring or testing, increased cost of repair or other cost resulting from enforcement of any such law or ordinance which relates to **pollution, fungus, bacteria, wet or dry rot, or decay**.

7. Salespeople

a. **Your** covered **personal property** in the custody of salespeople.

b. Coverage does not apply to loss or damage by theft from the salespersons vehicle unless:

- (1) The vehicle is equipped with a fully enclosed body or compartment;
- (2) The doors, windows and hatches were securely locked; and

EXTENSIONS OF COVERAGE (Continued)

(3) There are visible signs of forced entry to the vehicle

at the time of loss.

8. Transit

Your covered **personal property** while in **transit**.

This extension of coverage also applies to **personal property of others** while in **transit** at **your** risk, but does not apply if **you** are acting as a common or contract carrier.

9. Unscheduled Locations

Unscheduled locations are insured for coverages marked with an "X" in **B**. Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement.

The sublimits of liability or amounts payable under these optional extensions of coverage do not increase and are not in addition to any other applicable **limit of liability**.

EXTENSIONS OF COVERAGE

A. Standard Extensions of Coverage

In the event of a **covered loss**, the coverage provided by this policy is extended as follows:

1. Accounts Receivable

- a.** We will pay up to a **limit of liability** of \$100,000 for the following expenses **you** incur directly resulting from loss or damage by a **peril insured against to your** records of accounts receivable at a **covered location**:

- (1) Amounts due **you** from customers that **you** are unable to collect;
- (2) Interest charges on any loan to offset amounts **you** are unable to collect, pending **our** payment of those amounts;
- (3) Collection expense above **your** normal collection expense; and
- (4) Reasonable expenses **you** incur to reestablish **your** records of accounts receivable.

- b.** For the purposes of this extension of coverage, the following additional exclusions apply and **we** will not pay for:

- (1) Any loss that requires an audit or inventory to establish its existence;
- (2) Any fraudulent, dishonest or criminal act done by:
 - (a) Anyone entrusted with the accounts receivables, including their employees and agents; or
 - (b) Anyone having an interest in the accounts receivable.

This exclusion does not apply to the acts of a carrier for hire.

- (3) Bookkeeping, accounting, or billing errors or omissions.
 - (4) Wrongful alteration, falsification, manipulation, concealment, destruction, or disposal of records of accounts receivable, committed to conceal the wrongful giving, taking, getting, or withholding of money, securities, or other property.
- c.** When records of accounts receivable have been damaged or destroyed, **you** must use all reasonable efforts, including legal action if necessary, to obtain collection of any outstanding accounts receivable, and **we** will pay such costs and expenses of obtaining collection to the extent they reduce **your** loss.
- d.** When records of accounts receivable have been damaged or destroyed, **you** will use any property or service owned or controlled by **you** or obtainable from other sources in order to reduce **your** loss.
- e.** If **you** are unable to accurately determine the amount of outstanding accounts receivable at the time of loss, **our** payment will be calculated in the following manner:

Your average monthly accounts receivable amount, based on the twelve (12) months preceding the loss, adjusted for normal fluctuations in the month in which the loss occurs, or for any demonstrated variance for that month.

EXTENSIONS OF COVERAGE (Continued)

f. The following will be deducted from the total amount of accounts receivable, regardless of the method used to determine that amount:

- (1) Balances for accounts not damaged or affected by the loss;
- (2) Amounts of accounts **you** are able to reestablish and collect;
- (3) An allowance for bad debts **you** are not normally able to collect; and
- (4) All unearned interest and service charges.

2. Arson Reward

If one (1) or more **covered losses** are caused by or result from any fires of a suspicious nature, **we** will pay a \$25,000 reward to an individual or individuals provided:

a. The individual(s) report(s) the suspected arsonist to local law enforcement officials; and

- (1) The arsonist is apprehended, brought to trial, and convicted of arson to **your covered property**; or
- (2) The arsonist is apprehended, confesses and/or pleads guilty to arson to **your covered property** without going to trial.

b. **Our** payment of this reward will not be increased by:

- (1) The number of individuals reporting the arsonist(s);
- (2) The number of arsonists involved in the **covered loss**; or
- (3) The number of **covered losses**.

No deductible applies to this extension of coverage.

11. 3. Computer Virus and Denial of Access

We will pay up to \$25,000 for loss or damage to, or any cost, claim or expense caused by or resulting directly or indirectly from any of the following, regardless of any other cause or event that contributes to the loss, damage, cost, claim or expense at the same time or in any sequence:

~~(a)~~ **a.** The introduction of a malicious code, program, virus, worm, Trojan Horse program, macro time or logic bomb or similar unauthorized instruction which is designed or intended to damage, corrupt, destroy, distort, or delete any part of the system or disrupt its normal operation, into any of the following, whether owned by **you** or others:

- (1) **Data processing equipment, software, data, or media**;
- (2) Information repository;
- (3) Hardware or **software** based computer operating systems;
- (4) Microprocessors;
- (5) Integrated circuits;
- (6) Computer networks; ~~or~~

EXTENSIONS OF COVERAGE (Continued)

~~(7)~~ Website service; or

~~(7)~~ **(8)** Any other electronic equipment, computerized equipment, or similar device.

~~(b)~~ **b.** A change in the functionality, availability, operation, use of accessibility to or operation of any of the items described in ~~(a)~~ **3. a. (1) - (7 8)** above.

~~5.~~ **4.** Debris Removal Expense:

~~(a)~~ **a.** We will pay for the expense to remove the debris from a **covered loss**. We will only pay these expenses if we receive immediate written notice of the **covered loss** and if these expenses are reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**, ~~or the end of the policy period, whichever is earlier.~~

~~(b)~~ **b.** Debris removal expense is limited to ~~the applicable~~ a sublimit of liability of \$250,000, ~~as shown in 4. Standard Extensions of Coverage of the DECLARATIONS.~~

~~(c)~~ **c.** We will pay up to \$25,000 for expenses to remove from a **covered location**, windblown debris of property not covered by this policy.

~~(d)~~ **d.** Debris removal expense does not include any costs to clean up or remove **pollutants**; **fungus**, bacteria, wet or dry rot, or decay.

5. Deferred Payments

a. We will pay up to a sublimit of liability of \$25,000 for the unpaid balance owed **you** for **covered loss** to **your personal property** sold by **you** under a conditional sale or trust agreement or any installment or deferred payment plan after the **personal property** has been delivered to **your** client and is now in their care, custody and control.

b. In the event of **covered loss** to **personal property** sold under any of the payment plans shown in **5. a.** above, **you** will use all reasonable effort, including legal action against **your** client, to:

(1) Collect any outstanding balance due **you**; or

(2) Regain possession of the **personal property**.

c. We will not pay for loss or damage caused by or resulting from:

(1) A recall of **your** product. This includes but is not limited to **your** cost to recall, test or to advertise the recall.

(2) Theft or conversion of **your personal property** sold under any payment plan shown in **5. a.** above by **your** client after they have taken possession of the **personal property**.

d. This extension of coverage only applies to **your personal property** sold under any of the payment plans shown in **5. a.** above that is located within the territory of this policy.

e. Coverage provided by this extension does not apply if **your** client continues with their payments.

~~8.~~ **6.** Duty to Defend:

We will defend that part of any suit against **you** involving **personal property of others** when all of the following conditions exist:

~~(a)~~ **a.** The suit seeks payment for physical loss or damage to the **personal property of others**; and

EXTENSIONS OF COVERAGE (Continued)

- ~~(b)~~ **b.** The physical loss or damage is caused by a **peril insured against**; and
- ~~(c)~~ **c.** The physical loss or damage takes place while the **personal property of others** is in **your** custody; and
- ~~(d)~~ **d.** The **personal property of others** is the type of property covered by this policy.

We will do so even if such suit is groundless, false or fraudulent, but **we** may, without prejudice, make such investigation, negotiation and settlement of any claim or suit, as **we** deem appropriate.

~~9.~~ **7. Extended Period of Restoration:**

- a.** If loss of **business income** coverage is provided, **we** will pay the actual loss of **business income you** sustain due to a reduction in sales, earnings or rental income that directly results from ~~a covered loss~~, direct physical loss or damage to **your covered property** by a **peril insured against**, for the additional time required, when **you** use reasonable speed, to restore **your** business to the condition it would have been in if no loss had occurred. This additional time starts with the time when the **period of restoration** would end, and continues for no more than sixty (60) consecutive days immediately following the **period of restoration**.
- b.** This extension of coverage does not apply if **you** elect not to either repair or replace **your covered property**, or to resume the operation of **your** business. For purposes of this extension of coverage the exclusions and restrictions in this policy regarding loss of **your** market share do not apply to any claim made under this extension of coverage.

~~2.~~ **8. Fire Department Charges:**

We will pay charges **you** incur when the fire department is called to save or protect **covered property** from a **covered loss**.

9. Fine Arts

We will pay up to a sublimit of liability of \$100,000 for **covered loss to your fine arts**. We will not however pay for:

- a.** Loss or damage sustained from any repair, restoration, or retouching process;
- b.** Breakage of art glass windows, statuary, marble, glassware, bric-a-brac, porcelains, and similar fragile articles, unless caused by fire, lightning, aircraft, theft and or attempted theft, windstorm, **earth movement, flood**, explosion, vandalism, collision, derailment or overturn of conveyance; or
- c.** Loss or damage to **your fine arts** while away from a **covered location**.

10. Fungus Cleanup Expense:

~~(a) We will pay up to \$100,000 in the event of a covered loss, for the actual costs or expenses you incur to test for and remove fungus from covered property at a covered location if the fungus results from a peril insured against.~~

~~(b) We will only pay for these actual costs or expenses if:~~

- ~~(1) We receive immediate written notice of the covered loss; and~~
- ~~(2) They are reported to us in writing within one hundred eighty (180) days of the date of the covered loss or the end of the policy period, whichever is earlier.~~

~~Fungus cleanup expense does not include any costs to clean up or remove pollutants.~~

EXTENSIONS OF COVERAGE (Continued)

- a. If **fungus** results from a **covered loss** due to fire or lightning, **we** will pay up to the applicable **limit of liability** for the cost and expense:
- (1) To remove **fungus** from **covered property** at a **covered location**;
 - (2) To repair or replace any undamaged portion of **covered property** at a **covered location** that must be removed to gain access to **fungus** in order to remove it; and
 - (3) To test for the presence of **fungus** on **covered property** at a **covered location** after **fungus** has been removed as provided by this extension.
- b. If **fungus** results from a **covered loss** due to a **peril insured against** other than fire or lightning, **we** will pay up to \$250,000 for the costs and expenses outlined in 10. a. (1) – (3) of this extension of coverage.
- c. In order for this extension of coverage to apply **we** must receive immediate written notice of the **covered loss**, and these costs and expenses must be reported to **us** in writing within one-hundred-eighty (180) days of the date of the **covered loss**.
- d. The removal and testing for **fungus** does not include any costs to remove **pollutants**.

11. Installation of **Personal Property** or **Personal Property of Others**

We will pay up to \$250,000 for direct physical loss or damage by a **peril insured against** to **your personal property**, or **personal property of others**, which **you** have sold under an installation agreement, if **your** responsibility continues until the purchaser accepts the installation. Installation coverage applies to any non-owned location within the policy territory.

12. Lock and Key Replacement

- a. When a master key or grand master key is lost or damaged from a **covered loss**, **we** will pay the lesser of:
- (1) The actual cost to replace keys;
 - (2) The cost to rekey or reprogram the current locks to accept new keys; or
 - (3) When needed, new locks including the installation and reprogramming of the new locks.
- b. The most **we** will pay in any one (1) **occurrence** for this extension of coverage is a sublimit of liability of \$25,000.

13. **Personal Property** of Employees:

We will pay for loss or damage by a **peril insured against** to the **personal property** (other than **automobiles** **vehicles**) of **your** employees when such property is at a **covered location** or being used by the employee in the course of employment. **We** will not pay for any loss or damage to such property that occurs at the employee's residence.

14. Plants, Trees or Shrubs:

We will pay up to a sublimit of \$100,000 for a **covered loss** to plants, trees and shrubs, however loss or damage caused by freezing, disease or drought is excluded.

15. **Pollution** Cleanup Expense:

- a. **We** will pay to remove **pollutants** from **covered property** at a **covered location** if the **pollution** results from a

EXTENSIONS OF COVERAGE (Continued)

specified peril, subject to the applicable **limit of liability**.

~~(b)~~ **b.** We will pay up to an annual aggregate **limit of liability** of \$25,000 to remove **pollutants** from **covered property** at a **covered location**, if the **pollution** results from a **peril insured against** other than a **specified peril**.

~~(c)~~ **c.** If **pollution** results from a **peril insured against**, we will pay up to an annual aggregate **limit of liability** of \$25,000:

(1) To remove **pollutants** from land, soil, surface or ground water upon, within, beneath or comprising a **covered location**; or,

(2) For testing performed in the course of extracting the **pollutants** from **covered locations**.

We will pay for removal or testing after a **covered loss** that occurs during the **policy period**.

We will only pay these expenses if we receive immediate written notice of the **covered loss** and if these expenses are reported to us in writing within one-hundred-eighty (180) days of the date of the **covered loss**, ~~or the end of the policy period, whichever is earlier.~~

~~4.~~ **16.** Professional Fees:

~~(a)~~ **a.** We will pay up to \$25,000 for the reasonable costs you incur, for auditors, architects, ~~and~~ accountants and engineers who undertake to accurately determine the details of your business in order to determine the extent of a **covered loss**.

~~(b)~~ **b.** Professional fees do not include:

(1) any fees or expenses of attorneys;

(2) any fees or expenses of public adjusters or any of their subsidiaries or associated entities;

(3) fees based on a contingency; or

(4) the cost of your own employees.

~~7.~~ **17.** Removal:

a. We will pay the actual costs or expenses you incur:

(1) to remove **covered property** from locations endangered by a **peril insured against**, and

(2) to return the **covered property** to the original location it had been removed from once the danger by a **peril insured against** has ended.

b. When **covered property** has been removed for this reason, it will be insured against loss or damage from a **peril insured against** at the ~~new location~~ temporary location according to the following terms:

~~(a)~~ (1) For up to ninety (90) days at each place to which the property has been taken for preservation;

~~(b)~~ (2) The applicable **limit of liability** will apply to each ~~new location~~ temporary location on a pro rata basis, based on the value your **covered property** stored at that location bears to the total value of **covered property** originally insured at the endangered location.

The sublimits of liability, rewards or other amounts payable under these standard extensions of coverage will do not increase

EXTENSIONS OF COVERAGE (Continued)

and are not in addition to any other applicable **limit of liability**.

B. Optional Extensions of Coverage

These extensions of coverage apply only if the applicable sublimit of liability is shown in **5. E. Optional Extensions of Coverage – Sublimits of Liability of the DECLARATIONS, Form RM1000**.

1. Course of Construction

a. We will pay for direct physical loss or damage to **real property of the type insured by this policy, including new additions and buildings at an existing **covered location**, that **you** begin to construct during the **policy period**.**

(1) This coverage only applies for sixty (60) days from the date **you begin construction.**

(2) To continue this coverage beyond the sixty (60) days, **you must:**

(a) Report newly constructed **real property to **us** prior to the end of that sixty (60) day period; and**

(b) Pay premium from the date **you begin construction.**

b. We will also pay under this extension of coverage for materials, supplies, machinery, equipment and fixtures, including those that are **personal property of others, which are:**

(1) Intended by **you for use in construction; and**

(2) Located on the construction site awaiting use in construction.

c. This coverage only applies to the construction of **real property **you** intend to own or occupy once constructed.**

~~6.~~ 2. Errors and Omissions:

~~(a)~~ If a **covered loss** is not payable under this policy solely because of an error or unintentional omission made by **you**:

~~(1)~~ **a.** In the description of where **covered property** is physically located; ~~or,~~

~~(2)~~ **b.** To include any location:

~~(i)~~ **(1)** owned, rented or leased by **you** on the **effective date** of this policy; or

~~(ii)~~ **(2)** purchased, rented or leased by **you** during the term of the policy; or

~~(3)~~ **c.** That results in cancellation of the property insured under this policy, **except for cancellation due to nonpayment of premium.**

Then **we** will pay the amount **we** would have paid had the error or omission not been made, but not exceeding the **limit of liability** provided for Errors and Omissions **in shown on** the DECLARATIONS, Form RM1000.

~~(b)~~ This coverage does not apply: **however, (1) If coverage is found, in whole or in part, elsewhere in this policy.**

~~(2) To any error or unintentional omission in the reporting of values, type of coverage, or type of property.~~

EXTENSIONS OF COVERAGE (Continued)

3. Exhibitions, Expositions, Fairs or Trade Shows

We will pay for loss or damage to **your personal property** while at an exhibition, exposition, fair or trade show.

Coverage also applies while **your personal property** is being transported between a **covered location** and the location of the exhibition, exposition, fair or trade show.

4. Miscellaneous Locations

Miscellaneous locations are insured for coverages marked with an "X" in **B**. Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement.

5. New Locations:

a. New locations are insured for coverages marked with an "X" in **2. B**. Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement for the period of time specified in ~~5. D. (1)~~ **E. 4. h.** of the DECLARATIONS, Form RM1000.

(b) To continue this coverage beyond the time frame specified, **you** must:

~~(a)~~ **(1)** Report **new locations** to **us** prior to the end of the period specified on the DECLARATIONS, Form RM1000; and

~~(b)~~ **(2)** Pay premium from the date **you** acquire purchase or rent these **new locations**.

~~5. 6. Demolition Cost, Operation of Building Laws and Increased Construction Cost-~~ and Operation of Building Laws

~~(a)~~ **a.** In the event of a **covered loss**, **we** will pay:

(1) Demolition Cost:

The cost incurred to demolish all or part of **your covered real property**, including the cost to clear the site, if any law or ordinance that exists at the time of loss requires such demolition.

~~(3)~~ **(2)** Increased Construction Cost:

The increased cost **you** incur for materials and labor required to rebuild the damaged portion of **your real property** at the same location and in a manner that satisfies the minimum requirements of the applicable law or ordinance existing at the time of the loss.

~~(2)~~ **(3)** Operation of Building Laws:

The cost **you** incur to rebuild at the same location any undamaged part of **your real property**, ~~which that is required by law to be demolished after a covered loss-~~ excluding any costs associated with demolition. **We** will only pay the costs to satisfy the minimum requirements of the applicable law or ordinance that exists at the time of the loss.

~~(b)~~ **b.** We will not pay for any of these costs:

(1) ~~Of these costs~~ **Unless** they are incurred within two (2) years from the date of loss.

(2) ~~Loss~~ **If they are incurred** due to any law or ordinance that:

~~(i)~~ **(a)** **You** were required to comply with before the loss, even if the building was undamaged; and

EXTENSIONS OF COVERAGE (Continued)

~~(ii)~~ **(b)** You failed to comply with.

- (3)** ~~Cost of~~ If they are associated with any demolition, abatement, removal, cleanup, debris removal, repair, monitoring or testing, increased cost of repair or other cost resulting from enforcement of any such law or ordinance which relates to **pollution**, **fungus**, bacteria, wet or dry rot, or decay.

4. 7. Salespeople:

a. Your covered personal property in the custody of salespeople.

b. Coverage does not apply to loss or damage by theft from the salespersons vehicle unless:

(1) The vehicle is equipped with a fully enclosed body or compartment;

(2) The doors, windows and hatches were securely locked; and

(3) There are visible signs of forced entry to the vehicle

at the time of loss.

3. 8. Transit:

Your covered personal property while in transit.

This extension of coverage also applies to **personal property of others** while in **transit** at **your** risk, but does not apply if **you** are acting as a common or contract carrier.

2. 9. Unscheduled Locations:

Unscheduled locations are insured for coverages marked with an "X" in **2. B.** Coverages of the DECLARATIONS, Form RM1000, and coverages provided by endorsement.

The sublimits of liability or amounts payable under these optional extensions of coverage ~~will~~ do not increase and are not in addition to any other applicable **limit of liability**.

EXCLUSIONS

A. GROUP A EXCLUSIONS

We will not pay for loss or damage caused by or resulting from any of the following, regardless of any other cause or event, including a **peril insured against**, that contributes to the loss at the same time or in any other sequence:

1. Loss attributable to:

- a. War, including undeclared or civil war; or
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, including action taken by a governmental authority in hindering or defending against any of these

whether or not involving the use of any chemical, biological or nuclear substance.

2. **Earth movement**, whether sudden or gradual.

- a. If a loss to **covered property** by fire, theft, or explosion ensues, **we** will pay for that loss.
- b. This exclusion does not apply to **covered property in transit**.
- c. This exclusion does not apply to **sinkhole collapse** or **volcanic activity**.

3. **Flood**.

- a. If a loss to **covered property** by fire, theft, or explosion ensues, **we** will pay for that loss.
- b. This exclusion does not apply to **covered property in transit**.

4. **Fungus**, bacteria, wet or dry rot, decay.

If a loss to **covered property** from a **specified peril** ensues, **we** will pay for that loss.

5. **Pollution**.

- 6. Demolition cost, operation of building laws and increased cost of construction including the enforcement of any ordinance or law regulating the use, construction, repair or demolition of buildings or structures.
- 7. Seizure or destruction of **covered property** by government order.

We will pay for loss to **covered property** resulting from acts of destruction ordered by government to prevent the spread of fire.

8. Nuclear reaction or nuclear radiation, or radioactive contamination.

If a loss to **covered property** by fire ensues, **we** will pay for that loss unless otherwise limited or excluded elsewhere in this policy, including any limits or exclusions applicable to terrorism.

EXCLUSIONS (Continued)

9. Interference with or interruption of any public or private utility or any entity providing electrical, heating, air conditioning, refrigeration, telecommunication, steam, water, sewer or fuel service or any other service, if the failure occurs away from the **covered location**.

If a **covered loss** ensues, **we** will pay for that loss.

10. The actual or suspected presence or threat of any virus, organism or like substance that is capable of inducing disease, illness, physical distress or death, whether infectious or otherwise, including but not limited to any epidemic, pandemic, influenza, plague, SARS or Avian Flu.
11. Except as shown in **A. 3. Standard Extensions of Coverage of EXTENSIONS OF COVERAGE**, Form RM1002, loss attributable to:
- a. The introduction of a malicious code, program, virus, worm, Trojan Horse program, macro time or logic bomb or similar unauthorized instruction which is designed or intended to damage, corrupt, destroy, distort, or delete any part of the system or disrupt its normal operation, into any of the following, whether owned by **you** or others:
 - (1) **Data processing equipment, software, data, or media;**
 - (2) Information repository;
 - (3) Hardware or **software** based computer operating systems;
 - (4) Microprocessors;
 - (5) Integrated circuits;
 - (6) Computer networks;
 - (7) Website service; or
 - (8) Any other electronic equipment, computerized equipment, or similar device.
 - b. Programming, operation or operator error of any of the items described in **11. a. (1) - (8)**.
 - c. Incompatibility, or the inability to properly interface between any of the items described in **11. a. (1) - (8)**.
 - d. A change in the functionality, availability, operation, use of, accessibility to or operation of any of the items described in **11. a. (1) - (8)**.
 - e. Inability, failure or malfunction of the items as described in **11. a. (1) - (8)** or any services, functions, or products that use or rely upon in any manner one (1) or more of the items as described in **11. a. (1) - (8)** to correctly recognize, distinguish, interpret, process, provide or accept **data** or one (1) or more dates or times.
 - f. Advice, consultation, evaluation, design, inspection, installation, repair, replacement or maintenance done by **you** or for **you** to determine or correct any conditions or problems described by in **11. a. - e**.

If loss to **covered property** by any of the following perils ensues, **we** will pay for that loss;

- a. Fire;
- b. Explosion; or
- c. Leakage or accidental discharge from automatic fire protection system.

However, **we** will not pay for modification, repair or replacement of systems or devices described in **11. a. (1) - (8)** in order to correct any potential or actual deficiencies or to change any features.

EXCLUSIONS (Continued)

B. GROUP B EXCLUSIONS

We will not pay for loss or damage caused by or resulting from any of the following:

1. Unexplained or mysterious disappearance of any property.
2. Shortage of property discovered on taking inventory.
3. Theft by employees, whether acting alone or with others.
4. Any criminal, fraudulent or dishonest acts committed alone or in collusion with others:
 - a. By **you**;
 - b. By any of **your** associates, proprietors, partners, directors, trustees, officers, agents, employees or representatives; or
 - c. By any person or entity to whom **you** or any of **your** associates, proprietors, partners, directors, trustees, officers, agents, employees or representatives voluntarily relinquishes possession of **covered property** with or without **your** authority.
5. Manufacturing or processing operations, which result in damage to stock or materials while the stock or materials are being processed, manufactured, worked on or tested.

If a **covered loss** ensues, **we** will pay for that loss.

6. Delay, loss of market, loss of use, indirect or remote loss or damage.
7. Loss attributable to:
 - a. Wear and tear, deterioration, depletion, erosion, rust, corrosion;
 - b. Inherent vice, latent defect, or any quality in the **covered property** that causes it to damage or destroy itself;
 - c. Smog, acid rain, agricultural smudging;
 - d. Smoke, fumes, gas or vapor that result from industrial operations;
 - e. Settling, cracking, shrinking, bulging or expansion of pavements, foundations, walls, floors, roofs or ceilings, retaining walls or outdoor swimming pools;
 - f. Animals, birds, vermin, rodents or insects;
 - g. Change or extremes in temperature or humidity, whether atmospheric or not, except damage to equipment;
 - h. Contamination, shrinkage, change in taste, texture, finish or color.

If a **covered loss** ensues, **we** will pay for that loss.

8. Failure or breakdown of machinery or equipment, including rupture or bursting caused by centrifugal force.

If a **covered loss** ensues, **we** will pay for that loss.

This exclusion will not apply to physical loss to **data, data processing equipment or software**.

EXCLUSIONS (Continued)

9. Explosion of the following:

- a. Steam boilers;
- b. Steam turbines, steam engines, steam piping, electric steam generators; or
- c. Gas turbines.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

10. Rupture, bursting, cracking, burning or bulging of the following:

- a. Steam boilers;
- b. Steam turbines, steam engines, steam piping, electric steam generators;
- c. Hot water boilers or other equipment for heating water;
- d. Pressure vessels; or
- e. Gas turbines.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

11. Any electrical injury or disturbance to electrical appliances, devices, fixtures, wiring or other electrical or electronic equipment caused by electrical currents artificially generated.

If a fire or an explosion loss ensues, **we** will pay for that loss.

This exclusion will not apply to physical loss to:

- a. **Data** or **software** caused by injury, disturbance, or erasure resulting from electricity or magnetic fields; or
- b. **Data processing equipment** caused by short circuit, blowout, or other electrical damage.

12. Loss attributable to faulty, defective or inadequate:

- a. Construction, workmanship or material;
- b. Maintenance;
- c. Design, plan or specification;
- d. Developing, surveying or siting of buildings or structures during the course of construction or alterations.

If a **covered loss** ensues, **we** will pay for that loss.

13. Loss or damage to bulkheads, piers, wharves, docks, seawalls or jetties from freezing or thawing, impact of watercraft, or by the pressure or weight of ice or water whether driven by **wind** or not.

14. Acts or decisions, including the failure to act or decide, of any governmental employee, agent, group, organization, agency or body.

If a **covered loss** ensues, **we** will pay for that loss.

EXCLUSIONS

A. GROUP A EXCLUSIONS

We will not pay for losses or damage caused by or resulting from any of the following, regardless of any other cause or event, including a **peril insured against**, that contributes to the loss at the same time or in any other sequence.

1. Loss attributable to:

- ~~(a)~~ **a.** War, including undeclared or civil war; or
- ~~(b)~~ **b.** Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- ~~The use of any chemical, biological or nuclear substance, is considered a warlike action; or~~
- ~~(c)~~ **c.** Insurrection, rebellion, revolution, usurped power, including action taken by a governmental authority in hindering or defending against any of these:

whether or not involving the use of any chemical, biological or nuclear substance.

2. Earth movement, whether sudden or gradual.

- ~~(a)~~ **a.** If a loss to **covered property** by fire, theft, or explosion ensues, **we** will pay for that loss.
- ~~(b)~~ **b.** This exclusion does not apply to **covered property** in **transit**.
- ~~(c)~~ **c.** This exclusion does not apply to **sinkhole collapse** or **volcanic activity**.

3. Flood.

- ~~(a)~~ **a.** If a loss to **covered property** by fire, theft, or explosion ensues, **we** will pay for that loss.
- ~~(b)~~ **b.** This exclusion does not apply to **covered property** in **transit**.

4. Fungus, bacteria, wet or dry rot, decay.

If a loss to **covered property** from a **specified peril** ensues, **we** will pay for that loss.

4. 5. Pollution.

5. 6. Demolition Cost, Operation of Building Laws and Increased Cost of Construction including the Enforcement of any ordinance or law regulating the use, construction, repair or demolition of buildings or structures.

6. 7. Seizure or destruction of **covered property** by government order.

We will pay for loss to **covered property** resulting from acts of destruction ordered by government to prevent the spread of fire.

7. 8. Nuclear reaction or nuclear radiation, or radioactive contamination.

If a loss to **covered property** by fire ensues, **we** will pay for that loss unless otherwise limited or excluded elsewhere in this policy, including any limits or exclusions applicable to terrorism.

EXCLUSIONS (Continued)

- ~~8.~~ **9.** Interference with or interruption of any public or private utility or any entity providing ~~power,~~ electrical, heating, air conditioning, refrigeration, telecommunication, steam, water, ~~or~~ sewer or fuel service or any other service, if the failure occurs away from the **covered location**.

If a **covered loss** ensues, **we** will pay for that loss.

- 10.** The actual or suspected presence or threat of any virus, organism or like substance that is capable of inducing disease, illness, physical distress or death, whether infectious or otherwise, including but not limited to any epidemic, pandemic, influenza, plague, SARS or Avian Flu.

- ~~9.~~ **11.** Except as shown in **A. 11.3**, Standard Extensions of Coverage of EXTENSIONS OF COVERAGE, Form RM1002, loss attributable to:

~~(a)~~ **a.** The introduction of a malicious code, program, virus, worm, Trojan Horse program, macro time or logic bomb or similar unauthorized instruction which is designed or intended to damage, corrupt, destroy, distort, or delete any part of the system or disrupt its normal operation, into any of the following, whether owned by **you** or others:

(1) **Data processing equipment, software, data, or media;**

(2) Information repository;

(3) Hardware or **software** based computer operating systems;

(4) Microprocessors;

(5) Integrated circuits;

(6) Computer networks; ~~or~~

(7) Website service; or

~~(7)~~ **(8)** Any other electronic equipment, computerized equipment, or similar device.

~~(b)~~ **b.** Programming, operation or operator error of any of the items described in ~~9.-(a)~~ **11. a. (1) - (7 8)**.

~~(c)~~ **c.** Incompatibility, or the inability to properly interface between any of the items described in ~~9.-(a)~~ **11. a. (1) - (7 8)**.

~~(d)~~ **d.** A change in the functionality, availability, operation, use of, accessibility to or operation of any of the items described in ~~9.-(a)~~ **11. a. (1) - (7 8)**.

~~(e)~~ **e.** Inability, failure or malfunction of the items as described in ~~9.-(a)~~ **11. a. (1) - (7 8)** or any services, functions, or products that use or rely upon in any manner one (1) or more of the items as described ~~9.-(a)~~ **11. a. (1) - (7 8)** to correctly recognize, distinguish, interpret, process, provide or accept **data** or one (1) or more dates or times.

~~(f)~~ **f.** Advice, consultation, evaluation, design, inspection, installation, repair, replacement or maintenance done by **you** or for **you** to determine or correct any conditions or problems described by in ~~9.-(a)~~ **11. a. - (e) e.**

If loss to **covered property** by ~~one (1)~~ **any** of the following perils ensues, **we** will pay for that loss;

~~(a)~~ **a.** Fire;

~~(b)~~ **b.** Explosion; or

~~(c)~~ **c.** Leakage or accidental discharge from automatic fire protection system.

However, **we** will not pay for modification, repair or replacement of systems or devices described in ~~9.-(a)~~ **11. a. (1) - (7 8)** in order to correct any potential or actual deficiencies or to change any features.

EXCLUSIONS (Continued)

B. GROUP B EXCLUSIONS

We will not pay for losses or damage caused by or resulting from any of the following:

1. Unexplained or mysterious disappearance of any property;
2. Shortage of property discovered on taking inventory;
3. Theft by employees, whether acting alone or with others;
4. Any criminal, fraudulent or dishonest acts committed alone or in collusion with others;
 - ~~(a)~~ **a.** By you;
 - ~~(b)~~ **b.** By any of your associates, proprietors, partners, directors, trustees, officers, of yours, agents, employees or representatives; or
 - ~~(c)~~ **c.** By any proprietor, partner, director or officer of any proprietorship, partnership, corporation or association engaged by you to render any service or perform any act in connection with person or entity to whom you or any of your associates, proprietors, partners, directors, trustees, officers, agents, employees or representatives voluntarily relinquishes possession of covered property with or without your authority.
5. Manufacturing or processing operations, which result in damage to stock or materials while the stock or materials are being processed, manufactured, worked on or tested.

If a covered loss ensues, we will pay for that loss.

6. Delay, loss of market, loss of use, indirect or remote loss or damage;
7. Loss attributable to:
 - ~~(a)~~ **a.** Wear and tear, deterioration, depletion, erosion, rust, corrosion;
 - ~~(b)~~ **b.** Inherent vice, latent defect, or any quality in the covered property that causes it to damage or destroy itself;
 - ~~(c)~~ **c.** Smog, acid rain, agricultural smudging;
 - ~~(d)~~ **d.** Smoke, fumes, gas or vapor that result from industrial operations;
 - ~~(e)~~ **e.** Settling, cracking, shrinking, bulging or expansion of pavements, foundations, walls, floors, roofs or ceilings, retaining walls or outdoor swimming pools;
 - ~~(f)~~ **f.** Animals, birds, vermin, rodents or insects;
 - ~~(g)~~ **g.** Change or extremes in temperature or humidity, whether atmospheric or not, except damage to equipment;
 - ~~(h)~~ **h.** Contamination, shrinkage, change in taste, texture, finish or color.

If a covered loss ensues, we will pay for that loss.

8. ~~Fungus, bacteria, wet or dry rot, decay;~~

If a loss to covered property from a specified peril ensues, we will pay for that loss.

EXCLUSIONS (Continued)

- ~~9.~~ **8.** Failure or breakdown of machinery or equipment, including rupture or bursting caused by centrifugal force.

If a **covered loss** ensues, **we** will pay for that loss.

This exclusion will not apply to physical loss to: ~~data~~, **data processing equipment** or **software**.

- ~~10.~~ **9.** Explosion of the following:

- ~~(a)~~ **a.** Steam boilers;
- ~~(b)~~ **b.** Steam turbines, steam engines, steam piping, **electric steam generators**; or,
- ~~(c)~~ **c.** Gas turbines.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

- ~~11.~~ **10.** Rupture, bursting, cracking, burning or bulging of the following:

- ~~(a)~~ **a.** Steam boilers;
- ~~(b)~~ **b.** Steam turbines, steam engines, steam piping, **electric steam generators**;
- ~~(c)~~ **c.** Hot water boilers or other equipment for heating water;
- ~~(d)~~ **d.** Pressure vessels; or,
- ~~(e)~~ **e.** Gas turbines.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

- ~~12.~~ **11.** Any electrical injury or disturbance to electrical appliances, devices, fixtures, wiring or other electrical or electronic equipment caused by electrical currents artificially generated.

If a fire or an explosion loss ensues, **we** will pay for that loss.

This exclusion will not apply to physical loss to:

- ~~(a)~~ **a.** **Data** or **software** caused by injury, disturbance, or erasure resulting from electricity or magnetic fields; or,
- ~~(b)~~ **b.** **Data processing equipment** caused by short circuit, blowout, or other electrical damage.

- ~~13.~~ **12.** Loss attributable to faulty, defective or inadequate:

- ~~(a)~~ **a.** Construction, workmanship or material;
- ~~(b)~~ **b.** Maintenance;
- ~~(c)~~ **c.** Design, plan or specification;
- ~~(d)~~ **d.** Developing, surveying or siting of buildings or structures during the course of construction or alterations.

If a **covered loss** ensues, **we** will pay for that loss.

- ~~14.~~ **13.** Loss or damage to bulkheads, piers, wharves, ~~or docks~~, **seawalls or jetties** from freezing or thawing, impact of watercraft, or by the pressure or weight of ice or water whether driven by **wind** or not.

EXCLUSIONS (Continued)

- ~~15.~~ **14.** Acts or decisions, including the failure to act or decide, of any governmental employee, agent, group, organization, agency or body.

If a **covered loss** ensues, **we** will pay for that loss.

PROPERTY NOT COVERED

We do not cover loss to:

- A. Aircraft;
- B. Animals, water, land, including land on which **covered property** is located, lawns, growing crops, or standing timber;
- C. Bridges or tunnels, however pedestrian walkways connecting buildings are covered;
- D. Caves, caverns, mines of any type, or any property contained within them;
- E. Contraband or property in the course of illegal transportation or trade;
- F. Currency, money, securities and negotiable instruments of any kind;
- G. Dams, dikes, levees;
- H. Furs, jewelry;
- I. **Mobile equipment or tools** while away from a **covered location**;
- J. Precious metal or precious stones, except when used in industrial operations;
- K. Property insured under import or export ocean cargo policies;
- L. Property **you** transport as a common or contract carrier;
- M. Property shipped by mail, unless sent registered or certified;
- N. Vehicles, when more than one-thousand (1,000) feet away from a **covered location**. If **your** vehicles are covered for physical damage by other insurance, **you** agree that such other insurance is considered **your** primary coverage for any loss or damage that occurs;
- O. Watercraft, except watercraft that is part of **your** inventory while being stored un-fueled and on dry land at a **covered location**.

PROPERTY NOT COVERED

We do not cover loss to:

- ~~2.~~ **A.** Aircraft or ~~watercraft~~;
- ~~1.~~ **B.** Animals, water, land, including land on which **covered property** is located, lawns, growing crops, or standing timber;
- ~~8.~~ **C.** ~~Dams, dikes, levees, or~~ Bridges or tunnels, **however pedestrian walkways connecting buildings are covered**;
- ~~6.~~ **D.** Caves, caverns, mines of any type, or any property contained within them;
- ~~9.~~ **E.** Contraband or property in the course of illegal transportation or trade;
- ~~7.~~ **F.** Currency, money, securities and negotiable instruments of any kind;
- ~~8.~~ **G.** Dams, dikes, levees, ~~bridges or tunnels~~;
- ~~13.~~ **H.** Furs, **fine arts**, jewelry;
- ~~4.~~ **I.** ~~Any mobile equipment or tools~~ **Mobile equipment or tools** while away from a **covered location**;
- ~~14.~~ **J.** Precious metal or precious stones, except when used in industrial operations;
- ~~10.~~ **K.** Property insured under import or export ocean cargo policies;
- ~~5.~~ Property **you** sold under conditional sale, trust agreement, installment payment, or other deferred payment plan after such property has been delivered to the customer;
- ~~11.~~ **L.** Property **you** transport as a common or **contract** carrier;
- ~~12.~~ **M.** Property shipped by mail, unless sent registered or certified;
- ~~3.~~ **N.** Vehicles, when more than one-thousand (1,000) feet away from a **covered location**. If **your** vehicles are covered for physical damage by other insurance, **you** agree that such other insurance is considered **your** primary coverage for any loss or damage that occurs;
- ~~2.~~ **O.** ~~Aircraft or w~~atercraft, except watercraft that is part of **your** inventory while being stored un-fueled and on dry land at a **covered location**.

VALUATIONS

A. Replacement Cost

1. Loss or damage to **covered property** will be valued at the time and place of the loss at **replacement cost** unless otherwise indicated in **B.** and **C.** below or by other forms or endorsements attached to this policy.
2. **We** will not pay **replacement cost** until the lost or damaged property is actually repaired or replaced. If repairs or replacement are not made within two (2) years after the date of the physical loss **we** will pay only the **actual cash value** amount.
 - a. **Our** obligations for **replacement cost** will be the smaller of:
 - (1) The cost to repair the damaged property; or
 - (2) The cost to replace or rebuild with new materials of like size, kind and quality; or
 - (3) The selling price of **your real property** and **personal property**, other than stock, that is offered for sale, less all saved expenses; or
 - (4) The amount of **your** legal liability to the owner of **personal property of others**; or
 - (5) The applicable **limit of liability**.
 - b. **We** will not pay for any increase in cost due to **your** failure to use reasonable speed to repair, rebuild or replace the damaged property.
 - c. If the replacement occurs at another location, **we** will not pay for the cost of land at either the original or the **new location**.
3. If **you** elect not to rebuild **your real property** after a **covered loss**, **you** may still make claim for the **covered loss to your real property at replacement cost**, excluding any amounts for demolition or increased cost of construction, provided;
 - a. **you** actually spend those funds on capital expenditures to improve **real property at covered locations** within the policy territory;
 - b. those capital expenditures were not planned as of the date of loss; and
 - c. **you** make claim for the expenditure of these funds within two (2) years of the date of loss.

The **period of restoration** will not be increased by any of the above.

B. Actual Cash Value

Loss or damage to these types of **covered property** will be valued at **actual cash value** at the time and place of loss:

- a. Manuscripts;
- b. **Mobile equipment or tools**; and
- c. Vehicles licensed for highway use.

VALUATIONS (Continued)

C. Other Valuations

Loss or damage to these types of **covered property** will be valued at the time and place of loss as follows:

1. Exposed film

The value of unexposed film of the same type and quality.

2. Fine Arts

a. The lesser of the:

- (1) Reasonable or necessary restoration or repair costs needed to return the damaged article(s) to its condition as of the time of loss;
- (2) Cost to replace the damaged article;
- (3) Value specified for an article(s) if shown on a schedule of **fine arts** on file with **us**, or
- (4) Value specified for an article(s) if shown on the schedule of any form or endorsement attached to this policy.

b. In the event of the total loss of an article or articles which are a part of a pair or set, **we** will pay **you** the full amount of the value of such set as determined in **C. 2. a.** above and **you** will surrender the remaining article or articles of the set to **us**.

3. Finished goods manufactured by you

The regular cash selling price at the location where the loss happens, less all discounts and charges to which the merchandise would have been subject had no loss occurred.

4. Media, data, programs or any software stored on electronic, electromechanical, electromagnetic data processing equipment or production equipment.

The cost of transferring such from backup or from originals of a previous generation. **We** will not pay for any other cost, including research, engineering or other cost of restoring or recreating lost information.

5. Stock in process

The value of raw materials and labor expended plus the proper proportion of overhead charges.

6. Valuable papers and records

The value blank, plus the cost of copying from backup or from originals of a previous generation. **We** will not pay for any other cost, including research, engineering or other cost, of restoring or recreating lost information.

VALUATIONS

~~B.~~ **A. Replacement Cost**

1. Loss or damage to **covered property** will be valued at the time and place of the loss at **replacement cost**, ~~computed at the time and place of the loss, if **replacement cost** is marked with an "X" in 2. Coverages of the DECLARATIONS~~ unless otherwise indicated in **B.** and **C.** below or by other forms or endorsements attached to this policy.
2. **We** will not pay **replacement cost** until the lost or damaged property is actually repaired or replaced. If repairs or replacement are not made within two (2) years after the date of the physical loss, **we** will pay only the **actual cash value** amount.

~~(a)~~ **a.** Our obligations for **replacement cost** will be the smaller of:

- (1) The cost to repair the damaged property; or
- (2) The cost to replace or rebuild with new materials of like size, kind and quality; or
- (3) The selling price ~~on the date of loss of property of~~ **your real property and personal property**, other than stock, that is offered for sale, less all saved expenses; or
- (4) The amount of **your** legal liability to the owner of **personal property of others**; or
- ~~(4)~~ **(5)** The applicable **limit of liability**.

b. **We** will not pay for any increase in cost due to **your** failure to use reasonable speed to repair, rebuild or replace the damaged property.

c. If the replacement occurs at another location, **we** will not pay for the cost of land at either the original or the **new location**.

~~(b) **We** will pay **replacement cost** for these types of property:~~

- ~~(1) Raw materials, supplies and other merchandise not manufactured by you; and~~
- ~~(2) Leasehold improvements in which you have an insurable interest.~~

3. If **you** elect not to rebuild **your real property** after a **covered loss**, **you** may still make claim for the **covered loss** to **your real property** at **replacement cost**, excluding any amounts for demolition or increased cost of construction, provided;

- a.** **you** actually spend those funds on capital expenditures to improve **real property** at **covered locations** within the policy territory;
- b.** those capital expenditures were not planned as of the date of loss; and
- c.** **you** make claim for the expenditure of these funds within two (2) years of the date of loss.

The **period of restoration** will not be increased by any of the above.

~~A.~~ **B. Actual Cash Value**

- ~~1.~~ Loss or damage to these types of **covered property** will be valued ~~at the time and place of the loss~~ at **actual cash value** at the time and place of loss; ~~unless otherwise indicated in this policy.~~
- ~~2. **We** will, however, pay only **actual cash value** for these types of property:~~

~~(a) **Personal property of others**;~~

~~(b) **a.** Manuscripts;~~

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VALUATIONS (Continued)

~~(e) b.~~ ~~Mobile equipment or tools.~~ **Mobile equipment or tools;** and

c. Vehicles licensed for highway use.

C. Other Valuations

~~C.~~ Loss or damage to these types of **covered property** will be valued at the time and place of loss as follows:

~~5.~~ ~~On exposed film, the value of the film blank.~~

1. Exposed film

The value of unexposed film of the same type and quality.

2. Fine Arts

a. The lesser of the:

- (1) Reasonable or necessary restoration or repair costs needed to return the damaged article(s) to its condition as of the time of loss;
- (2) Cost to replace the damaged article;
- (3) Value specified for an article(s) if shown on a schedule of **fine arts** on file with **us**, or
- (4) Value specified for an article(s) if shown on the schedule of any form or endorsement attached to this policy.

b. In the event of the total loss of an article or articles which are a part of a pair or set, **we** will pay **you** the full amount of the value of such set as determined in **C. 2. a.** above and **you** will surrender the remaining article or articles of the set to **us**.

~~2.~~ ~~On finished goods manufactured by you, the regular cash selling price at the location where the loss happens, less all discounts and charges to which the merchandise would have been subject had no loss occurred;~~

3. Finished goods manufactured by you

The regular cash selling price at the location where the loss happens, less all discounts and charges to which the merchandise would have been subject had no loss occurred.

~~4.~~ ~~On media, data, programs or any software stored on electronic, electromechanical, electromagnetic data processing equipment or production equipment;~~

~~†~~ The cost of transferring such from backup or from originals of a previous generation. **We** will not pay for any other cost, including research, engineering or other cost of restoring or recreating lost information lost.

~~1.~~ ~~On stock in process, the value of raw materials and labor expended plus the proper proportion of overhead charges;~~

5. Stock in process

The value of raw materials and labor expended plus the proper proportion of overhead charges.

~~3.~~ ~~On valuable papers and records, the value blank plus the cost of copying from backup or from originals of a previous generation. We will not pay for any other cost, including research, engineering or other cost, of restoring or recreating information lost;~~

6. Valuable papers and records

The value blank, plus the cost of copying from backup or from originals of a previous generation. **We** will not pay for any other cost, including research, engineering or other cost, of restoring or recreating lost information.

CONDITIONS

A. Abandonment of Property

You may not abandon property to **us**.

B. Appraisal

1. If **you** fail to agree with **us** on the amount of a loss, either party may demand that the disputed amount be submitted for appraisal. A demand for appraisal will be made in writing within sixty (60) days after **our** receipt of proof of loss. Each party will then choose a competent and disinterested appraiser. Each party will notify the other of the identity of its appraiser within thirty (30) days of the written demand for appraisal.
2. The two (2) appraisers will choose a competent and disinterested umpire. If the appraisers are unable to agree on an umpire within fifteen (15) days, **you** or **we** may petition a judge of a court of record in the state where the **covered loss** happened, to select an umpire.
3. The appraisers will then set the amount of the loss or damage. If the appraisers submit a written report of an agreement to **you** and **us**, the amount they agree on will be the amount of **our** payment for the loss or damage. If the appraisers fail to agree within a reasonable time, they will submit their differences to the umpire. Written agreement signed by any two (2) of these three (3) will set the amount of loss or damage.
4. Each appraiser will be paid by the party that selects him or her. Other expenses of the appraisal and compensation of the umpire will be paid equally by **you** and **us**.

C. Assignment

Your assignment of this policy will not be valid except with **our** written consent.

D. Brands and Labels

In the event of a **covered loss** to branded or labeled merchandise, **we** may choose to take title to all or any part of that merchandise, at the value established by the terms of this policy. **You** may, at **your** expense:

1. Stamp "salvage" on the merchandise or its containers; or
2. Remove or obliterate the brands or labels if such removal or obliteration will not physically damage the merchandise. **You** must re-label the merchandise or containers in compliance with the requirements of law.

E. Breach of Condition

A breach of any condition of this policy at any **covered location** will not affect coverage at any other **covered location** where, at the time of loss or damage, no breach exists.

F. Cancellation

1. **You** may cancel this policy by mailing or delivering to **us** advance written notice of cancellation.
2. If this policy has been in effect for less than sixty (60) days and is not a renewal of a policy **we** issued, **we** may cancel this policy for any reason by giving **you** written notice of cancellation at least:
 - a. Ten (10) days before the date of cancellation if **we** cancel for nonpayment of premium; or

CONDITIONS (Continued)

- b. Sixty (60) days before the date of cancellation if **we** cancel for any other reason.
- 3. If this policy has been in effect for sixty (60) days or more or is a renewal of a policy **we** issued, **we** may cancel this policy by giving **you** written notice of cancellation at least:
 - a. Ten (10) days before the date of cancellation if **we** cancel for one (1) or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Conviction of a crime arising out of acts increasing the likelihood of a **covered loss**;
 - (3) Discovery of fraud or material misrepresentation by **you** in obtaining this policy or in pursuing a claim under this policy;
 - (4) Discovery of any willful or reckless act or omission by **you** increasing the likelihood of a **covered loss**; or
 - (5) A determination by the Commissioner of Insurance that continuation of the policy would violate or place **us** in violation of the law.
 - b. Sixty (60) days before the date of cancellation if **we** cancel for one (1) or more of the following reasons:
 - (1) Physical changes in the property, which increase the likelihood of a **covered loss**;
 - (2) A material increase in the likelihood of a **covered loss**; or
 - (3) Loss or decrease of **our** reinsurance covering the insurance provided by this policy.
- 4. If **we** cancel for nonpayment of premium, **you** may continue the coverage and avoid cancellation by making full payment any time prior to the date of cancellation.
- 5. Notice of Cancellation will be delivered or sent by;
 - a. Registered mail;
 - b. Certified mail; or
 - c. First-Class mail.

We will mail or deliver the notice to **your** last mailing address known to **us**.
- 6. Notice of cancellation will state the reason for cancellation, and the effective date of cancellation. The **policy period** will end on that date.
- 7. If this policy is canceled, **we** will send to **you** any premium refund due. If **we** cancel, the refund will be pro rata. If **you** cancel, the refund will be 90% of pro rata. The cancellation will be effective even if **we** have not yet made or offered a refund.
- 8. If notice is mailed, proof of mailing will be sufficient evidence of notice.

G. Change of Terms

The terms of this insurance will not be waived, changed, or modified except by written endorsement issued by **us** and which becomes a part of this policy.

CONDITIONS (Continued)

H. Collection from Others

Payment to **you** for a **covered loss** will be reduced to the extent **you** have collected that loss from others.

I. Concealment, Misrepresentation or Fraud

This entire policy is void, if with the actual intent to deceive

1. **You**;
2. **Your** representatives; or
3. any insured;

commit fraud or conceal or misrepresent a fact or circumstance concerning

1. This policy;
2. The **covered property**;
3. **Your** interest in the **covered property**; or
4. A claim under this policy.

J. Inspection

1. During the period of this policy, **we** will be permitted, but not obligated, to inspect the **covered property**. Neither **our** right to make inspections, nor making them, nor any report of them, will imply for **you** or others, nor constitute an undertaking, that the **covered property** is safe, healthful, or in compliance with laws, regulations, codes or standards.
2. This condition does not apply to any inspections, surveys, reports or recommendations **we** may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

We will have no liability to **you** or others because of any inspection or failure to inspect.

K. Liberalization

If, during the **policy period** or forty-five (45) days prior to the **policy period**, a filing of **ours** to a state insurance department would broaden this insurance without requiring any additional premium, then the terms and coverage of that filing will apply to **covered locations** and **covered property** within that state, effective on the dates specified within the filing.

L. Loss Payee

In the event of a **covered loss** to property in which both **you** and a loss payee shown on the SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES, Form RM1102, have an insurable interest, **we** will:

1. Adjust the **covered loss** with **you**; and
2. Make payment for the **covered loss** to **you** and the loss payee jointly, as their interests may appear.

CONDITIONS (Continued)

M. Mortgage Holders

1. **We** will pay for **covered loss** to buildings or structures to each mortgage holder shown on the SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES, Form RM1102, as their interests may appear.
2. A mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
3. If **we** deny **your** claim because of **your** acts or because **you** have failed to comply with the terms of this policy, the mortgage holder will still have the right to receive loss payment, up to the amount of their insurable interest, but in no event more than the applicable **limit of liability**, if the mortgage holder:
 - a. Pays any premium due under this policy at **our** request;
 - b. Submits a signed, sworn proof of loss within sixty (60) days after receiving notice from **us** of **your** failure to do so; and
 - c. Has notified **us** of any change in ownership, occupancy, or substantial change in risk known to the mortgage holder.

All terms and conditions of this policy will then apply directly to the mortgage holder.

4. If **we** pay the mortgage holder for any **covered loss** and deny payment to **you** because **you** have failed to comply with the terms of this policy:
 - a. The mortgage holder's rights under the mortgage will be transferred to **us** to the extent of the amount **we** pay; and
 - b. The mortgage holder's right to recover the full amount of the mortgage claim will not be impaired.

In the event of a **covered loss**, **we** will, at **our** option, pay the mortgage holder the whole principal of **your** mortgage plus any accrued interest. In that event, **your** mortgage and note will be transferred to **us**, and **you** will pay **your** remaining mortgage debt to **us**.

5. If **we** cancel or nonrenew this policy, **we** will give the mortgage holder the same notice **we** give to **you**.
6. The term "mortgage holder" includes trustee.

N. No Benefit to Bailee

No person or organization, having custody of **your covered property**, will benefit from this policy.

O. No Reduction by Loss

Except for those coverages written with an annual aggregate **limit of liability** or sublimits of liability, **we** will pay for a **covered loss** without reducing any other applicable **limit of liability** or sublimits of liability.

P. Nonrenewal

1. If **we** decide not to renew this policy, **we** will mail or deliver a written notice of nonrenewal to **you** at least sixty (60) days before the expiration date of this policy. Notice will be sent to **your** last mailing address known to **us**. **We** will state the reason for nonrenewal.

CONDITIONS (Continued)

2. This notice will be delivered or sent by:
 - a. Registered mail;
 - b. Certified mail; or
 - c. First-Class mail.
3. If notice is mailed, proof of mailing will be sufficient evidence of notice.

Q. Other Insurance

1. If there is any other insurance that would apply in the absence of this policy, **we** will pay for a **covered loss** only after the limits of all other applicable insurance are exhausted.
2. If this policy is deemed by law to contribute to a loss with other insurance, **we** will pay only **our** proportionate share of the loss, up to the applicable **limit of liability**. **Our** share will be the proportion that the applicable **limit of liability** of this policy bears to the total applicable **limits of liability** available from all insurance.
3. **You** are permitted to have other insurance over any limits or sublimits of liability specified in this policy.
4. The existence of such insurance will not reduce any limit or sublimit of liability in this policy.
5. To the extent this policy replaces another policy, coverage under this policy shall not become effective until such other policy has terminated.

R. Our Options

At **our** option, **we** will repair, rebuild or replace damaged **covered property** with other property of like kind and quality within a reasonable period of time. If **we** elect to repair or replace the **covered property**, **we** will notify **you** of that decision within sixty (60) days of **our** receipt of **your** proof of loss. **We** will, at **our** option, take title to all or any part of the damaged or destroyed property at the agreed or appraised value.

S. Pair, Set or Parts

In the event of a **covered loss** to an article that is part of a pair or set, **our** payment for that loss will be:

1. The cost to repair or replace any part to restore the pair or set to its value before the **covered loss**; or
2. The difference between the value of the pair or set before and after the **covered loss**.

In no event will the loss of part of a pair or set be regarded as a total loss of the pair or set.

When **covered property** consists of several parts, **we** will pay only for the lost or damaged part.

T. Payment of Loss

We will pay the **covered loss** within thirty (30) days after **we** receive and accept the signed, sworn Proof of Loss, if:

1. **You** have complied with all the terms of this policy;

CONDITIONS (Continued)

2. **We** have reached agreement with **you** on the amount of **covered loss**, or
3. An appraisal award is made as provided for in Condition **B**. Appraisal.

U. Policy Period and Territory

We will only pay for direct physical loss or damage to **covered property** of the type insured by this policy as the result of a **peril insured against** during the **policy period** shown on the DECLARATIONS, Form RM1000, while the **covered property** is:

1. Within the continental United States of America, Hawaii and Puerto Rico;
2. Being moved on land or in the air within or between the continental United States of America and Canada; or moved on land or in the air within Hawaii or Puerto Rico; or
3. Being moved on inland waters and intercoastal waterways of the continental United States of America, or on any of the Great Lakes.

V. Recovered Property

1. If either **you** or **we** recover any **covered property** after **we** have paid for its loss, that party must give the other prompt written notice of the recovery.
2. If **we** recover the **covered property**, **we** will return it to **you**, if **you** so request. **You** must then return the amount **we** paid to **you** for it.
3. If **you** recover the **covered property**, **you** may either keep it or surrender it to **us**. If **you** choose to keep it, **you** must return the amount **we** paid to **you** for it.

W. Right to Adjust with Owner

1. **Covered losses** will be adjusted with **you** except as provided in Condition **M**. Mortgage Holders.
2. If a claim is made for damage to **covered property** of others, **we** will have the right to adjust that loss or damage with the owners of that property. **Our** payment to the owners will fully satisfy any claim of **yours** for damage to that property.

X. Subrogation

1. If **we** make payment for a loss, **you** will assign to **us** all **your** rights of recovery against any party for that loss. **We** will not acquire any rights of recovery **you** have waived prior to the loss. **You** agree to cooperate and not to waive, prejudice, settle or compromise any claim against any party after the loss has occurred.
2. **You** will be paid any recovery, in the proportion that **your** deductible and any provable uninsured loss bears to the total loss less **your** proportion of fees and expenses.

Y. Suit

No suit or other legal proceeding shall be brought against **us** unless there has been full compliance with all the policy terms and conditions. Any suit against **us** must be brought within two (2) years after the date on which the direct physical loss or damage occurred, or the shortest time permitted by law, whichever is greater.

CONDITIONS (Continued)

Z. Suspension

If Equipment Breakdown is marked with an "X" in **B**. Coverages of the DECLARATIONS, Form RM1000, and **we** discover a dangerous condition relating to an **object**, **we** may immediately suspend the insurance provided by this coverage for that covered equipment by written notice mailed or delivered to **you** either at **your** address or at the location of any **object**. Suspended insurance may be reinstated by **us**, but only by an endorsement issued as part of this policy. **You** will be credited for the unearned portion of the premium paid for the suspended insurance, pro rata, for the period of suspension. The suspension will be effective even if **we** have not yet made or offered a refund.

A.A. Titles of Paragraphs

The titles of the paragraphs of this policy and of any endorsements attached to it are only for reference. They do not affect the terms to which they relate.

B.B. Vacancy

If, at anytime during the **policy period**, any of **your real property** becomes vacant, it is a requirement of this policy that **you**:

1. Notify **us** immediately, in writing, of the existing vacancy; and
2. Maintain in complete working order the protective safeguards currently present at the **real property** that has become vacant. Protective safeguards include, but are not limited to:
 - a. Automatic sprinkler systems;
 - b. Fire alarm systems;
 - c. Guard or watchman services;
 - d. Burglary systems; and
 - e. Monitoring systems.
3. If your **real property** remains vacant for more than sixty (60) consecutive days, then in addition to the other terms, conditions, limitations and exclusions in this policy **we** will not pay for any loss or damage caused by or resulting from any of the following, regardless of any other cause or event, including a **peril insured against**, that contributes to the loss at the same time or in any other sequence, for as long as **your real property** remains vacant:
 - a. Breakage of building glass;
 - b. **Fungus** (including **fungus** cleanup);
 - c. Sprinkler leakage, unless the system has been protected against freezing;
 - d. Theft or attempted theft;
 - e. Vandalism;
 - f. Malicious mischief; or
 - g. Water damage.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

CONDITIONS (Continued)

4. **Real property** is considered vacant unless at least thirty (30) percent of the square footage of the building is:
 - a. Being used by **you** to conduct **your** customary operations; or
 - b. Rented by **you** to a tenant or sub-tenant and is being used by them to conduct their customary operations.
5. **Real property** is not considered vacant during its ongoing construction or renovation.

C.C. **Your Duties After a Loss**

In case of loss **you** will:

1. Give **us** immediate written notice of the loss;
2. Give notice of such loss to the proper authorities if the loss may be due to a violation of the law;
3. As soon as possible, give **us** a description of the property involved and how, when and where the loss happened;
4. Take all reasonable steps to protect the **covered property** from further damage;
5. Promptly separate the damaged property from the undamaged property, and keep it in the best possible order for examination;
6. Furnish a complete inventory of the lost, damaged and destroyed property, showing in detail the quantity, and amount of loss claimed under the valuation provision of the policy;
7. Keep an accurate record of all repair costs;
8. Keep all bills, receipts and related documents that establish the amount of loss;
9. As often as may reasonably be required:
 - a. Permit **us** to inspect the damaged property and take samples for inspection, testing and analysis.
 - b. Produce for inspection and copying, all of **your** books of account, business records, bills and invoices.
 - c. Permit **us** to question, under oath, **you** and any of **your** agents, employees, or representatives involved in the purchase of this insurance or the preparation of **your** claim, including any public adjusters and any of their agents, employees or representatives, and verify **your** answers with a signed acknowledgment.
10. Submit to **us**, within ninety (90) days from the date of loss, unless **we** extend the time in writing, a signed, sworn Proof of Loss that states to the best of **your** knowledge and belief:
 - a. The time and cause of the loss;
 - b. **Your** interest and the interest of all others in the property involved;
 - c. Any other policies of insurance that may provide coverage for the loss;
 - d. Any changes in title or occupancy of the property during the **policy period**; and
 - e. The amount of **your** claimed loss.

CONDITIONS (Continued)

You shall also submit with the Proof of Loss:

- a.** The inventory referred to in **C.C. 6.**;
 - b.** The records specified in **C.C. 7.** and **C.C. 8.**;
 - c.** Specifications for any damaged building; and
 - d.** Detailed estimates and invoices for the repair of any damage.
- 11.** Cooperate with **us** in the investigation and adjustment of the loss.

CONDITIONS

~~K.~~ **A.** Abandonment of Property

You may not abandon property to **us**.

~~Q.~~ **B.** Appraisal

1. If **you** fail to agree with **us** on the amount of a loss, either party may demand that the disputed amount be submitted for appraisal. A demand for appraisal will be made in writing within sixty (60) days after **our** receipt of proof of loss. Each party will then choose a competent and disinterested appraiser. Each party will notify the other of the identity of its appraiser within thirty (30) days of the written demand for appraisal.
2. The two (2) appraisers will choose a competent and disinterested umpire. If the appraisers are unable to agree on an umpire within fifteen (15) days, **you** or **we** may petition a judge of a court of record in the state where the **covered loss** happened, to select an umpire.
3. The appraisers will then set the amount of the loss **or damage**. If the appraisers submit a written report of an agreement to **you** and **us**, the amount they agree on will be the amount of **our** payment for the loss **or damage**. If the appraisers fail to agree within a reasonable time, they will submit their differences to the umpire. Written agreement signed by any two (2) of these three (3) will set the amount of loss **or damage**.
4. Each appraiser will be paid by the party that selects him or her. Other expenses of the appraisal and compensation of the umpire will be paid equally by **you** and **us**.

~~D.~~ **C.** Assignment

Your assignment of this policy will not be valid except with **our** written consent.

~~F.~~ **D.** Brands and Labels

In the event of a **covered loss** to branded or labeled merchandise, **we** may choose to take title to all or any part of that merchandise, at the value established by the terms of this policy. **You** may, at **your** expense:

1. Stamp "salvage" on the merchandise or its containers; or,
2. Remove or obliterate the brands or labels if such removal or obliteration will not physically damage the merchandise. **You** must re-label the merchandise or containers in compliance with the requirements of law.

~~G.~~ **E.** Breach of Condition

A breach of any condition of this policy at any **covered location** will not affect coverage at any other **covered location** where, at the time of **loss or** damage, no breach exists.

~~H.~~ **F.** Cancellation

1. **You** may cancel this policy by mailing or delivering to **us** advance written notice of cancellation.
2. If this policy has been in effect for less than sixty (60) days and is not a renewal of a policy **we** issued, **we** may cancel this policy for any reason by giving **you** written notice of cancellation at least:

(a) **a.** Ten (10) days before the date of cancellation if **we** cancel for nonpayment of premium; or

CONDITIONS (Continued)

- ~~(b)~~ **b.** Sixty (60) days before the date of cancellation if **we** cancel for any other reason.
3. If this policy has been in effect for sixty (60) days or more or is a renewal of a policy **we** issued, **we** may cancel this policy by giving **you** written notice of cancellation at least:
- ~~(a)~~ **a.** Ten (10) days before the date of cancellation if **we** cancel for one (1) or more of the following reasons:
- (1) Nonpayment of premium;
 - (2) Conviction of a crime arising out of acts increasing the likelihood of a **covered loss**;
 - (3) Discovery of fraud or material misrepresentation by **you** in obtaining this policy or in pursuing a claim under this policy;
 - (4) Discovery of any willful or reckless act or omission by **you** increasing the likelihood of a **covered loss**; **or**
 - (5) A determination by the Commissioner of Insurance that continuation of the policy would violate or place **us** in violation of the law; **or**
- ~~(b)~~ **b.** Sixty (60) days before the date of cancellation if **we** cancel for one (1) or more of the following reasons:
- (1) Physical changes in the property, which increase the likelihood of a **covered loss**;
 - (2) A material increase in the likelihood of a **covered loss**; **or**
 - (3) Loss or decrease of **our** reinsurance covering the insurance provided by this policy.
4. If **we** cancel for nonpayment of premium, **you** may continue the coverage and avoid cancellation by making full payment any time prior to the date of cancellation.
5. Notice of Cancellation will be delivered or sent by;
- ~~(a)~~ **a.** Registered mail; ~~or~~
- ~~(b)~~ **b.** Certified mail; **or**;
- ~~(c)~~ **c.** First-Class mail.
- We** will mail or deliver the notice to **your** last mailing address known to **us**.
6. Notice of cancellation will state the reason for cancellation, and the effective date of cancellation. The **policy period** will end on that date.
7. If this policy is canceled, **we** will send to **you** any premium refund due. If **we** cancel, the refund will be pro rata. If **you** cancel, the refund will be 90% of pro rata. The cancellation will be effective even if **we** have not yet made or offered a refund.
8. If notice is mailed, proof of mailing will be sufficient evidence of notice.

B. G. Change of Terms

The terms of this insurance will not be waived, changed, or modified except by written endorsement issued by **us** and which becomes a part of this policy.

CONDITIONS (Continued)

~~T.~~ **H.** Collection from Others

Payment to **you** for a **covered loss** will be reduced to the extent **you** have collected that loss from others.

~~E.~~ **I.** Concealment, Misrepresentation or Fraud

This entire policy is void, if with the actual intent to deceive, ~~you, your representatives, or any insured commit fraud or conceal or misrepresent a fact or circumstance concerning:~~

1. **You**;
2. **Your** representatives; or
3. any insured;

commit fraud or conceal or misrepresent a fact or circumstance concerning

1. This policy;
2. The **covered property**;
3. **Your** interest in the **covered property**; or
4. A claim under this policy.

~~Z.~~ **J.** Inspection

1. During the period of this policy, **we** will be permitted, but not obligated, to inspect the **covered property**. Neither **our** right to make inspections, nor making them, nor any report of them, will imply for **you** or others, nor constitute an undertaking, that the **covered property** is safe, healthful, or in compliance with laws, regulations, codes or standards.
2. This condition does not apply to any inspections, surveys, reports or recommendations **we** may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

We will have no liability to **you** or others because of any inspection or failure to inspect.

K. Liberalization

If, during the **policy period** or forty-five (45) days prior to the **policy period**, a filing of **ours** to a state insurance department would broaden this insurance without requiring any additional premium, then the terms and coverage of that filing will apply to **covered locations** and **covered property** within that state, effective on the dates specified within the filing.

~~Y.~~ **L.** Loss Payee

In the event of a **covered loss** to property in which both **you** and a loss payee shown on the SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES, Form RM1102, have an insurable interest, **we** will:

1. Adjust the **covered loss** with **you**; and,
2. Make payment for the **covered loss** to **you** and the loss payee jointly, as their interests may appear.

CONDITIONS (Continued)

~~X.~~ **M.** Mortgage Holders

1. We will pay for **covered loss** to buildings or structures to each mortgage holder shown on the SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES, Form RM1102, as their interests may appear.
2. A mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the building or structure.
3. If we deny **your** claim because of **your** acts or because **you** have failed to comply with the terms of this policy, the mortgage holder will still have the right to receive loss payment, up to the amount of their insurable interest, but in no event more than the applicable **limit of liability**, if the mortgage holder:
 - ~~(a)~~ **a.** Pays any premium due under this policy at **our** request;
 - ~~(b)~~ **b.** Submits a signed, sworn proof of loss within sixty (60) days after receiving notice from **us** of **your** failure to do so; and,
 - ~~(c)~~ **c.** Has notified **us** of any change in ownership, occupancy, or substantial change in risk known to the mortgage holder.All terms and conditions of this policy will then apply directly to the mortgage holder.

4. If we pay the mortgage holder for any **covered loss** and deny payment to **you** because **you** have failed to comply with the terms of this policy:
 - ~~(a)~~ **a.** The mortgage holder's rights under the mortgage will be transferred to **us** to the extent of the amount **we** pay; and
 - ~~(b)~~ **b.** The mortgage holder's right to recover the full amount of the mortgage claim will not be impaired.

In the event of a **covered loss**, we will, at **our** option, pay the mortgage holder the whole principal of **your** mortgage plus any accrued interest. In that event, **your** mortgage and note will be transferred to **us**, and **you** will pay **your** remaining mortgage debt to **us**.

5. If we cancel or ~~non-renew~~ **nonrenew** this policy, we will give the mortgage holder the same notice we give to **you**.
6. The term "mortgage holder" includes trustee.

~~L.~~ **N.** No Benefit to Bailee

No person or organization, having custody of **your covered property**, will benefit from this policy.

~~N.~~ **O.** No Reduction by Loss

Except for those coverages written with an annual aggregate **limit of liability** or sublimits of liability, we will pay for a **covered loss** without reducing any other applicable **limit of liability** or sublimits of liability.

~~I.~~ **P.** Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver a written notice of nonrenewal to **you** at least sixty (60) days before the expiration date of this policy. Notice will be sent to **your** last mailing address known to **us**. We will state the reason for nonrenewal.
2. This notice will be delivered or sent by:

CONDITIONS (Continued)

~~(a)~~ **a.** Registered mail; ~~or~~

~~(b)~~ **b.** Certified mail; or;

~~(c)~~ **c.** First-Class mail.

3. If notice is mailed, proof of mailing will be sufficient evidence of notice.

~~Q.~~ **Q.** Other Insurance

1. If there is any other insurance that would apply in the absence of this policy, **we** will pay for a **covered loss** only after the limits of all other applicable insurance are exhausted.
2. If this policy is deemed by law to contribute to a loss with other insurance, **we** will pay only **our** proportionate share of the loss, up to the applicable **limit of liability**. **Our** share will be the proportion that the applicable **limit of liability** of this policy bears to the total applicable **limits of liability** available from all insurance.
3. **You** are permitted to have other insurance over any limits or sublimits of liability specified in this policy.
4. The existence of such insurance will not reduce any limit or sublimit of liability in this policy.
5. To the extent this policy replaces another policy, coverage under this policy shall not become effective until such other policy has terminated.

R. Our Options

At **our** option, **we** will repair, rebuild or replace damaged **covered property** with other property of like kind and quality within a reasonable period of time. If **we** elect to repair or replace the **covered property**; **we** will notify **you** of that decision within sixty (60) days of **our** receipt of **your** proof of loss. **We** will, at **our** option, take title to all or any part of the damaged or destroyed property at the agreed or appraised value.

~~W.~~ **S.** Pair, Set or Parts

In the event of a **covered loss** to an article that is part of a pair or set, **our** payment for that loss will be:

1. The cost to repair or replace any part to restore the pair or set to its value before the **covered loss**; or
2. The difference between the value of the pair or set before and after the **covered loss**.

In no event will the loss of part of a pair or set be regarded as a total loss of the pair or set.

When **covered property** consists of several parts, **we** will pay only for the lost or damaged part.

~~U.~~ **T.** Payment of Loss

We will pay the **covered loss** within thirty (30) days after **we** receive and accept the signed, sworn Proof of Loss, if:

1. **You** have complied with all the terms of this policy;

CONDITIONS (Continued)

2. We have reached agreement with **you** on the amount of **covered loss**, or
3. An appraisal award is made as provided for in Condition ~~Q~~ **B**, Appraisal.

~~A~~ **U**. Policy Period and Territory

We will only pay for a ~~covered loss~~ direct physical loss or damage to **covered property** of the type insured by this policy as the result of a **peril insured against** during the **policy period** shown on the DECLARATIONS, Form RM1000, while ~~that~~ **property** the **covered property** is:

1. Within the **continental** United States of America, **Hawaii** and Puerto Rico;
2. Being moved on land or in the air within or between the continental United States of America; and Canada; or moved on land or in the air within Hawaii or Puerto Rico; or;
3. Being moved on inland waters and intercoastal waterways of the continental United States of America, or on any of the Great Lakes.

V. Recovered Property

1. If either **you** or **we** recover any **covered property** after **we** have paid for its loss, that party must give the other prompt written notice of the recovery.
2. If **we** recover the **covered property**, **we** will return it to **you**, if **you** so request. **You** must then return the amount **we** paid to **you** for it.
3. If **you** recover the **covered property**, **you** may either keep it or surrender it to **us**. If **you** choose to keep it, **you** must return the amount **we** paid to **you** for it.

~~S~~ **W**. Right to Adjust with Owner

1. **Covered losses** will be adjusted with **you** except as provided in Condition ~~X~~ **M**, Mortgage Holders.
2. If a claim is made for damage to **covered property** of others, **we** will have the right to adjust that loss or damage with the owners of that property. **Our** payment to the owners will fully satisfy any claim of **yours** for damage to that property.

~~J~~ **X**. Subrogation

1. If **we** make payment for a loss, **you** will assign to **us** all **your** rights of recovery against any party for that loss. **We** will not acquire any rights of recovery **you** have waived prior to the loss. **You** agree to cooperate and not to waive, prejudice, settle or compromise any claim against any party after the loss has occurred.
2. **You** will be paid any recovery, in the proportion that **your** deductible and any provable uninsured loss bears to the total loss less **your** proportion of fees and expenses.

~~M~~ **Y**. Suit

No suit or other legal proceeding ~~will~~ **shall** be brought against **us** unless there has been full compliance with all the policy terms and conditions. Any ~~S~~ suit against **us** must be brought within ~~one (1)~~ two (2) years after the date on which the direct physical loss or damage occurred, or the shortest time permitted by law; **whichever is greater**.

CONDITIONS (Continued)

~~A.A.~~ Z. Suspension

If Equipment Breakdown is marked with an "X" in ~~2.~~ **B.** Coverages of the DECLARATIONS, Form RM1000, and **we** discover a dangerous condition relating to an **object**, **we** may immediately suspend the insurance provided by this coverage for that covered equipment by written notice mailed or delivered to **you** either at **your** address or at the location of any **object**. Suspended insurance may be reinstated by **us**, but only by an endorsement issued as part of this policy. **You** will be credited for the unearned portion of the premium paid for the suspended insurance, pro rata, for the period of suspension. The suspension will be effective even if **we** have not yet made or offered a refund.

~~C.~~ A.A. Titles of Paragraphs

The titles of the paragraphs of this policy and of any endorsements attached to it are only for reference. They do not affect the terms to which they relate.

B.B. Vacancy

If, at anytime during the **policy period**, any of **your real property** becomes vacant, it is a requirement of this policy that **you**:

1. Notify **us** immediately, in writing, of the existing vacancy; and
2. Maintain in complete working order the protective safeguards currently present at the **real property** that has become vacant. Protective safeguards include, but are not limited to:
 - a. Automatic sprinkler systems;
 - b. Fire alarm systems;
 - c. Guard or watchman services;
 - d. Burglary systems; and
 - e. Monitoring systems.
3. If your **real property** remains vacant for more than sixty (60) consecutive days, then in addition to the other terms, conditions, limitations and exclusions in this policy **we** will not pay for any loss or damage caused by or resulting from any of the following, regardless of any other cause or event, including a **peril insured against**, that contributes to the loss at the same time or in any other sequence, for as long as **your real property** remains vacant:
 - a. Breakage of building glass;
 - b. **Fungus** (including **fungus** cleanup);
 - c. Sprinkler leakage, unless the system has been protected against freezing;
 - d. Theft or attempted theft;
 - e. Vandalism;
 - f. Malicious mischief; or
 - g. Water damage.

If a loss to **covered property** by fire or explosion ensues, **we** will pay for that loss.

CONDITIONS (Continued)

4. **Real property** is considered vacant unless at least thirty (30) percent of the square footage of the building is:
 - a. Being used by **you** to conduct **your** customary operations; or
 - b. Rented by **you** to a tenant or sub-tenant and is being used by them to conduct their customary operations.
5. **Real property** is not considered vacant during its ongoing construction or renovation.

P. C.C. Your Duties After a Loss

In case of loss **you** will:

1. Give **us** immediate written notice of the loss;
2. Give notice of such loss to the proper authorities if the loss may be due to a violation of the law;
3. As soon as possible, give **us** a description of the property involved and how, when and where the loss happened;
4. Take all reasonable steps to protect the **covered property** from further damage;
5. Promptly separate the damaged property from the undamaged property, and keep it in the best possible order for examination;
6. Furnish a complete inventory of the lost, damaged and destroyed property, showing in detail the quantity, and amount of loss claimed under the valuation provision of the policy;
7. Keep an accurate record of all repair costs;
8. Keep all bills, receipts and related documents that establish the amount of loss;
9. As often as may reasonably be required:
 - ~~(a)~~ a. Permit **us** to inspect the damaged property and take samples for inspection, testing and analysis.
 - ~~(b)~~ b. Produce for inspection and copying, all of **your** books of account, business records, bills and invoices.
 - ~~(c)~~ c. Permit **us** ~~under oath~~ to question, **under oath**, **you** and any of **your** agents, employees, or representatives involved in the purchase of this insurance or the preparation of **your** claim, **including any public adjusters and any of their agents, employees or representatives**, and verify **your** answers with a signed acknowledgment.
10. Submit to **us**, within ninety (90) days from the date of loss, unless **we** extend the time in writing, a signed, sworn Proof of Loss that states to the best of **your** knowledge and belief:
 - ~~(a)~~ a. The time and cause of the loss;
 - ~~(b)~~ b. **Your** interest and the interest of all others in the property involved;
 - ~~(c)~~ c. Any other policies of insurance that may provide coverage for the loss;
 - ~~(d)~~ d. Any changes in title or occupancy of the property during the **policy period**; and;
 - ~~(e)~~ e. The amount of **your** claimed loss.

CONDITIONS (Continued)

You shall also submit with the Proof of Loss:

- ~~(a)~~ **a.** The inventory referred to in ~~P. 6,~~ **C.C. 6.**;
- ~~(b)~~ **b.** The records specified in ~~P. 7,~~ **C.C. 7,** and ~~P. 8,~~ **C.C. 8.**;
- ~~(c)~~ **c.** Specifications for any damaged building; and;
- ~~(d)~~ **d.** Detailed estimates and invoices for the repair of any damage.

- 11.** Cooperate with **us** in the investigation and adjustment of the loss.

DEFINITIONS

- A. Accident** means a sudden, fortuitous event that causes direct physical damage to an **object(s)**, which requires that the **object(s)** be repaired or replaced, in whole or in part.

Accident, however, does not include any of the following:

1. Fire, including water or other means used to extinguish the fire;
2. Combustion explosion. This includes but is not limited to, a combustion explosion of any steam boiler or other fired vessel;
3. Discharge of molten material from equipment including the heat from such discharged material;
4. Depletion, deterioration, rust, corrosion, erosion, settling or wear and tear or any other gradually developing condition;
5. Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance;
6. Lightning;
7. Any loss or damage caused by or resulting from any type of electrical or electronic insulation breakdown test; or
8. Any loss or damage caused by or resulting from any type of hydrostatic, pneumatic or gas pressure test.

- B. Actual cash value** means **replacement cost** less deduction for depreciation.

- C. Average daily value (ADV)** means **your business income** that would have been earned during the period of interruption had no loss happened, divided by the number of working days in that period. The **average daily value (ADV)** applies to the **business income** value of the entire **covered location** whether or not the loss effects the entire **covered location**. If more than one (1) **covered location** is included in the valuation of the loss, the **average daily value (ADV)** will be the combined value of all **covered locations**. The period of interruption may not extend beyond the **period of restoration**.

- D. Business income** means:

Gross earnings, including rental income, plus all other earnings derived from the operation of the business, less all charges and expenses which do not necessarily continue.

For example:

1. Manufacturing operations:

The net sales value of production less the cost of all raw stock, materials and supplies utilized in such production.

2. Mercantile or nonmanufacturing operations:

The net sales less the cost of merchandise sold and materials and supplies consumed in the operations or services rendered by **you**.

DEFINITIONS (Continued)

3. Property rental operations:

The total expected gross rental income from tenant occupancy of **your covered location(s)**. This also includes all charges which are the legal obligation of **your** tenants, which would otherwise be **your** obligations, and the fair rental value of any portion of **your covered location(s)** which **you** occupy.

E. Covered location(s) means those locations shown on the Schedule of the DECLARATIONS, Form RM1000, or on the Schedule of any endorsement to this policy.

F. Covered loss means a loss to **covered property** at a **covered location** resulting from a **peril insured against**.

G. Covered property means property insured by this policy.

H. Data means any information recorded on **media** and used in **your** processing operations.

I. Data processing equipment means processing units, terminals, tape drives, disk drives, controllers, printers, and other equipment capable of receiving, processing, storing or retrieving information.

J. Earth movement, whether natural or man-made, includes but is not limited to:

1. Earthquake;
2. Landslide;
3. Mudflow or mudslide; or
4. Sinking, rising or shifting of the earth.

K. Effective date means the day and time at which the insurance provided by this policy begins.

L. Extra expense means the reasonable and necessary extra costs:

1. Incurred to temporarily continue as nearly normal as practicable the conduct of **your** business; or
2. Of temporarily using property or facilities of **yours** or others.
3. For purposes of applying the above provision "normal" means the condition that would have existed had no **covered loss** happened.

M. Fine arts means property of rarity, antiquity, or artistic merit, including but not limited to paintings; etchings; pictures (including their negatives); tapestries; statuary; marbles; bronzes; antique jewelry; antique furniture; antique silver; rare books; porcelains; rare or art glassware; art glass windows; valuable rugs; bric-a-brac and porcelains.

N. First tier wind Counties and Parishes means the Counties and Parishes in the States as follows:

Baldwin and Mobile Counties in the State of Alabama;

All Counties in the State of Florida;

Bryan, Camden, Chatham, Glynn, Liberty and McIntosh Counties in the State of Georgia;

DEFINITIONS (Continued)

The Hawaiian Islands;

Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St Bernard, St Mary, St Tammany, Terrebonne and Vermilion Parishes in the State of Louisiana;

Hancock, Harrison, and Jackson Counties in the State of Mississippi;

Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Currituck, Dare, Hyde, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, and Washington Counties in the State of North Carolina;

Beaufort, Charleston, Colleton, Georgetown, Horry and Jasper Counties in the State of South Carolina;

Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jackson, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Orange, Refugio, San Patricio and Willacy Counties in the State of Texas;

and the Commonwealth of Puerto Rico.

O. Flood means:

1. The release of water from, or the rising, overflowing, or breaking of boundaries of rivers, lakes, streams, ponds, or other natural or man-made bodies of water; or
2. Waves, tides, tidal waves, surface water, rain accumulation or runoff.

Flood includes spray from any of them, all whether driven by **wind** or not.

P. Fungus means any of a major group (fungi) of saprophytic and parasitic lower plants that lack chlorophyll and include but are not limited to molds, rusts, mildews, smuts, mushrooms, and yeasts, and any mycotoxins, spores, scents or by-products produced or released by fungi.

Q. Hail means precipitation composed of concentric layers of clear ice and hardened snow in the shape of stones ranging in size from pea to softball or larger.

R. Limit(s) of liability means the maximum amount **we** will pay for a **covered loss**.

S. Media means the medium on which **data** or **software** is stored, such as magnetic tape, perforated paper tape, punch cards, media cards, discs, drums, and other storage devices used in **your data processing equipment**.

T. Miscellaneous location(s) means a location other than:

1. A **covered location**;
2. A **new location**;
3. An **unscheduled location**;
4. A location where **covered property** is at an exhibition, exposition, fair or trade show; or
5. A location for which coverage is found, in whole or in part, elsewhere in this policy including any coverage under errors and omissions.

DEFINITIONS (Continued)

- U. Mobile equipment or tools** means **your** mobile or land vehicles, whether self propelled or not, including machinery or apparatus attached to them, which are not licensed or designed for highway use, including but not limited to power cranes, shovels, loaders, scrapers, graders, dozers, pavers, rollers, job trailers, diggers, drills and other road construction equipment, air compressors, pumps, generators, welders, scaffolding and transits. Mobile equipment does not include forklifts while situated at a **covered location**.
- V. Named Storm** means any storm or weather disturbance that is named by the U.S. National Weather Service. All damage resulting from a single **named storm** that occurs within a continuous seventy-two (72) hour period will be considered a single **occurrence**.
- W. New location(s)** means **real property you** purchase or rent, including **personal property** at that location, after the **effective date** of this policy.
- X. New Madrid** means the Counties in the States as follows:
- Clay, Craighead, Crittenden, Cross, Greene, Independence, Jackson, Lawrence, Lee, Mississippi, Monroe, Phillips, Poinsett, Randolph, St Francis, White, and Woodruff Counties in the State of Arkansas;
- Alexander, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pulaski, Randolph, Saline, Union, and Williamson Counties in the State of Illinois;
- Ballard, Calloway, Carlisle, Crittenden, Fulton, Graves, Hickman, Livingston, Lyon, Marshall, and Mcracken Counties in the State of Kentucky;
- Desoto, Marshall, Tate, and Tunica Counties in the State of Mississippi;
- Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Iron, Jefferson, Madison, Mississippi, New Madrid, Perry, Pemiscot, Reynolds, Ripley, St Charles, St Francois, St Louis, Ste Genevieve, Scott, Stoddard, and Wayne Counties in the State of Missouri;
- Crockett, Dyer, Fayett, Gibson, Hardeman, Haywood, Henry, Lake, Lauderdale, Madison, Obion, Shelby, Tipton, and Weakley Counties in the State of Tennessee.
- Y. Object(s)** means the following:
1. Unless specified otherwise in an endorsement to this policy:
 - a. Equipment at a **covered location** that generates, transmits or utilizes energy including electronic communications and **data processing equipment**.
 - b. Equipment at a **covered location** which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.
 2. **Object(s)** does not include any of the following:
 - a. Structure, including but not limited to the structural portions of buildings and towers, scaffolding, and any air supported structure;
 - b. Foundation;

DEFINITIONS (Continued)

- c. Cabinet, compartment, conduit or ductwork;
- d. Insulating or refractory material;
- e. Buried vessels or piping;
- f. Waste, drainage or sewer piping;
- g. Piping, valves or fittings forming a part of a sprinkler or fire suppression system;
- h. Water piping that is not part of a closed loop used to conduct heat or cooling from a boiler of refrigeration or air conditioning system;
- i. Vehicle or any equipment mounted on a vehicle;
- j. Satellite, spacecraft, or any equipment mounted on a satellite or spacecraft;
- k. Dragline, excavation or construction equipment;
- l. Equipment manufactured by **you** for sale; or
- m. **Data.**

Z. Occurrence means all loss or damage attributable directly or indirectly to one (1) cause or series of similar causes. All such loss or damage will be added together, and the total loss or damage will be treated as one (1) **occurrence** irrespective of the amount of time or area over which such loss or damage occurs.

A.A. Perils insured against means causes of loss for which this policy provides coverage.

B.B. Period of restoration means;

1. For buildings and equipment, the period of time

- a. starts at the time of a **covered loss** and,
- b. ends when using reasonable speed the building and equipment could be:
 - (1) repaired or replaced; and
 - (2) made ready for operations;

under the same or equivalent physical and operating conditions that existed prior to the damage.

2. For buildings in the course of construction:

- a. **We** will apply the time period defined in **B.B. 1.** above to the level of business that would have been reasonably achieved after construction and startup would have been completed had no physical damage happened; and
- b. **We** will give consideration to the actual experience of the business after completion of the construction and startup.

DEFINITIONS (Continued)

3. For stock in-process and mercantile stock, including finished goods not manufactured by **you**, the time required using reasonable speed:
 - a. To restore stock in process to the same state of manufacture which existed at the beginning of the interruption of production or suspension of business operations or services; and
 - b. To replace physically damaged mercantile stock.
 4. For raw materials and supplies, the period of time:
 - a. Of actual interruption of production or suspension of operation or services which results from **your** inability to obtain suitable replacement raw materials and supplies; but
 - b. Limited to that period for which the damaged raw materials and supplies would have satisfied operating needs.
 5. For **valuable papers and records**, the time required using reasonable speed to copy the physically damaged **valuable papers and records** from backup or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.
 6. For **data**, programs, or other **software**, the time required using reasonable speed to restore the physically damaged or destroyed **data**, programs, or other **software** from backup. This time does not include research, engineering or any other time necessary to restore or recreate lost information.
 7. The **period of restoration** does not include any additional time due to **your** inability to resume operations for any other reason, including but not limited to:
 - a. Making changes to equipment.
 - b. Making changes to the buildings, or structures, except as provided in the Demolition Cost, Increased Construction Cost and Operation of Building Laws provision, if a **limit of liability** is shown in **E. 4. b.**, **E. 4. c.** or **E. 4. d.** of the DECLARATIONS, Form RM1000, attached to this policy.
 - c. Restaffing or retraining employees.
 - d. Any law or ordinance that requires testing, monitoring, clean up, removal, decontamination, treatment, detoxification or neutralization of, or any other response to **pollution** or **pollutant(s)**.
 8. The expiration of this policy will not terminate the **period of restoration**. In no event will the **period of restoration** exceed twenty-four (24) months from the date of loss.
- C.C. Perishable goods** means any **covered property** subject to deterioration or impairment as a result of a change in conditions including but not limited to temperature, humidity or pressure.
- D.D. Personal property** means **your** tangible things, other than **real property**, including improvements and betterments **you** have made in buildings **you** do not own.
- E.E. Personal property of others** means tangible things **you** do not own, other than **real property**, that are:
1. Sold by **you** that **you** agreed, prior to loss, to insure for the account of the purchaser during delivery;
 2. In **your** custody which **you** agreed, prior to loss, to insure; or
 3. In **your** care, custody or control, and for which **you** are legally liable, but only to the extent of **your** insurable interest therein.

DEFINITIONS (Continued)

- F.F. Policy period** means the time during which insurance is provided by this policy.
- G.G. Pollutant(s)** means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, fiber, smoke, vapor, soot, fumes, acids, alkalis, chemicals, biological, organic or bacterial agents and waste. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed. However, **pollutant(s)** does not include ammonia.
- H.H. Pollution** means the presence, discharge, dispersal, seepage, migration, release or escape of any **pollutant(s)**.
- I.I. Puget Sound** means the Counties of Clallam, Island, Jefferson, King, Kitsap, Mason, Pierce, San Juan, Skagit, Snohomish, Thurston, and Whatcom in the State of Washington.
- J.J. Real property** means buildings and any other structure, including:
1. Completed additions, extensions, permanent fittings or fixtures;
 2. Machinery and equipment used to service the buildings;
 3. Yard fixtures.
- K.K. Replacement cost** means the cost to replace **covered property**:
1. With new materials of like kind and quality and used for the same purpose; and
 2. At the location where the loss happened.
- But **replacement cost** excludes any increased cost of repair or reconstruction by reason of any law or ordinance regulating construction, repair or use.
- L.L. Second tier wind Counties and Parishes** means the Counties and Parishes in the States as follows:
- Clarke, Covington, Escambia, Geneva, Monroe, and Washington Counties in the State of Alabama;
- Brantley, Brooks, Bulloch, Charlton, Effingham, Evans, Long, Tattnall, Thomas, and Wayne Counties in the State of Georgia;
- Acadia, Assumption, Calcasieu, Iberville, Jefferson Davis, Lafayette, St Charles, St James, St John the Baptist, St Martin, Tangipahoa and Washington Parishes in the State of Louisiana;
- George, Pearl River, and Stone Counties in the State of Mississippi;
- Bladen, Columbus, Craven, Duplin, Gates, Halifax, Hertford, Jones, Lenoir, Martin, Northampton, Pitt and Sampson Counties in the State of North Carolina;
- Bamberg, Berkeley, Dillon, Dorchester, Hampton, Marion and Williamsburg Counties in the State of South Carolina;
- Bee, Brooks, Colorado, De Witt, Fort Bend, Goliad, Hardin, Harris, Hidalgo, Jasper, Jim Wells, Lavaca, Liberty, Live Oak, Newton, Tyler, Victoria, and Wharton Counties in the State of Texas.
- M.M. Sinkhole collapse** means loss to **covered property** resulting from the sudden sinking or collapse of any land into naturally occurring underground empty spaces created by the action of water on limestone or similar rock formations. Coverage for **sinkhole collapse** does not include the cost of filling sinkholes.

DEFINITIONS (Continued)

N.N. Software means programs stored on **media** that instruct **data processing equipment** how to process **data**.

O.O. Specified perils means direct physical loss or damage caused by or resulting from:

1. Fire;
2. Lightning;
3. Aircraft;
4. Explosion;
5. Riot;
6. Civil commotion;
7. Smoke;
8. Vehicles;
9. **Wind or hail**;
10. Malicious mischief;
11. Leakage or accidental discharge from automatic fire protection system;
12. Collapse.

P.P. Transit means the conveyance of **your personal property** within the **policy period** and territory as specified in this policy, from the time it leaves the original point of shipment until it arrives at its intended destination.

This period includes:

1. While the property is in the care, custody or control of hired carriers; and
2. Transfers between conveyances.

Transit does not include **personal property** while in the custody of **your** salespeople, or while being conveyed between a **covered location** and the location of an exhibition, exposition, fair or trade show.

Should this policy expire or be canceled after the property leaves the original point of shipment but before it arrives at its intended destination, coverage will continue on this **personal property** until it arrives at its intended destination.

Q.Q. Unscheduled location(s) means:

1. **Real property** reported to **us**, but not shown on the Schedule of the DECLARATIONS, Form RM1000, which **you** owned or rented before the **effective date**; and
2. Locations reported to **us**, but not shown on the Schedule of the DECLARATIONS, Form RM1000, at which **you** had **personal property** before the **effective date** other than **new locations**.

R.R. Valuable papers and records means written or printed documents or records including books, maps, negatives, drawings, abstracts, deeds, mortgages and manuscripts.

DEFINITIONS (Continued)

S.S. Volcanic activity means direct physical loss or damage to **covered property** directly resulting from:

1. Airborne volcanic blast or shockwave;
2. Ash, dust or particulate matter; or
3. Lava flow.

All **volcanic activity** resulting from volcanic eruptions occurring within any one-hundred sixty-eight (168) hour period will constitute a single **occurrence**.

Volcanic activity does not include the cost to remove ash, dust or particulate matter that does not cause direct physical damage to **covered property**.

T.T. We, us and our(s) means the company issuing this policy, as shown on the DECLARATIONS, Form RM1000.

U.U. Wind means the direct action of the movement of air at any velocity including any substance driven by the movement of the air.

V.V. You and your(s) mean the named insured shown on the DECLARATIONS, Form RM1000.

DEFINITIONS

- A. **Accident** means a sudden, fortuitous event that causes direct physical damage to an **object(s)**, which requires that the **object(s)** be repaired or replaced, in whole or in part.

Accident, however, does not include any of the following:

1. Fire, including water or other means used to extinguish the fire;
2. Combustion explosion. This includes but is not limited to, a combustion explosion of any steam boiler or other fired vessel;
3. Discharge of molten material from equipment including the heat from such discharged material;
4. Depletion, deterioration, rust corrosion, erosion, settling or wear and tear or any other gradually developing condition;
5. Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance;
6. Lightning-;
7. Any loss or damage caused by or resulting from any type of electrical or electronic insulation breakdown test; or
8. Any loss or damage caused by or resulting from any type of hydrostatic, pneumatic, or gas pressure test.

- B. **Actual cash value** means **replacement cost** less deduction for depreciation.

- C. **Average daily value (ADV)** means **your business income** that would have been earned during the period of interruption had no loss happened, divided by the number of working days in that period. The **average daily value (ADV)** applies to the **business income** value of the entire **covered location** whether or not the loss effects the entire **covered location**. If more than one (1) **covered location** is included in the valuation of the loss, the **average daily value (ADV)** will be the combined value of all **covered locations**. The period of interruption may not extend beyond the **period of restoration**.

- D. **Business income** means:

Gross Earnings, including rental income, plus all other earnings derived from the operation of the business, less all charges and expenses which do not necessarily continue during the **period of restoration**.

Gross Earnings are computed as follows:

For example:

1. ~~for m~~ Manufacturing operations:

†The net sales value of production less the cost of all raw stock, materials and supplies utilized in such production;

2. ~~for m~~ Mercantile or ~~non-manufacturing~~ nonmanufacturing operations:

†The net sales less the cost of merchandise sold and materials and supplies consumed in the operations or services rendered by you.

DEFINITIONS (Continued)

3. Property rental operations:

The total expected gross rental income from tenant occupancy of **your covered location(s)**. This also includes all charges which are the legal obligation of **your** tenants, which would otherwise be **your** obligations, and the fair rental value of any portion of **your covered location(s)** which **you** occupy.

- E. **Covered location(s)** means those locations shown on the Schedule of the DECLARATIONS, **Form RM1000**, or on the Schedule of any endorsement to this policy.
- F. **Covered loss** means a loss to **covered property** at a **covered location** resulting from a **peril insured against**.
- G. **Covered property** means property insured by this policy.
- H. **Data** means any information recorded on **media** and used in **your** processing operations.
- I. **Data processing equipment** means processing units, terminals, tape drives, disk drives, controllers, printers, and other equipment capable of receiving, processing, storing or retrieving information.
- J. **Earth movement**, whether natural or man-made, includes but is not limited to:
1. Earthquake;
 2. Landslide;
 3. Mudflow or mudslide; or
 4. Sinking, rising or shifting of the earth.
- K. **Effective date** means the day and time at which the insurance provided by this policy begins.
- L. **Extra expense** means the reasonable and necessary extra costs:
1. Incurred to temporarily continue as nearly normal as practicable the conduct of **your** business; or
 2. Of temporarily using property or facilities of **yours** or others.
 3. For purposes of applying the above provision "normal" means the condition that would have existed had no **covered loss** happened.
- M. **Fine arts** means ~~property of rarity, antiquity, or artistic merit, including but not limited to paintings; etchings; pictures (including their negatives); tapestries; statuary; marbles; bronzes; antique jewelry; antique furniture; antique silver; rare books; porcelains; rare or art glassware; art glass windows; valuable rugs; bric-a-brac; and porcelains; and similar property of rarity, antiquity, or artistic merit.~~
- N. **First tier wind Counties and Parishes** means the Counties and Parishes in the States as follows:
- Baldwin and Mobile Counties in the ~~State of Alabama~~; **State of Alabama**;
- ~~Alachua, Baker, Bay, Bradford, Brevard, Broward, Calhoun, Charlotte, Citrus, Clay, Collier, Columbia, Dade, DeSoto, Dixie, Duval, Escambia, Flagler, Franklin, Gadsen, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Hernando, Highlands, Hillsborough, Holmes, Indian River, Jackson, Jefferson, Lafayette, Lake, Lee, Leon, Levy, Liberty, Madison, Manatee, Marion, Martin, Monroe, Nassau, Okaloosa, Okeechobee, Orange, Palm Beach, Pasco, Pinellas, Polk, Putnam, Saint Johns, Saint Lucie, Sanata Rosa, Sarasota, Seminole, Sumter, Suwannee, Taylor, Union, Volusia, Wakulla, Walton~~

DEFINITIONS (Continued)

~~and Washington Counties in the State of Florida;~~

All Counties in the State of Florida;

Bryan, Camden, Chatham, Glynn, Liberty and McIntosh Counties in the ~~State of Georgia~~ State of Georgia;

~~The Hawaiian Islands~~ The Hawaiian Islands;

Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St Bernard, St Mary, St Tammany, Terrebonne and Vermilion Parishes in the ~~State of Louisiana~~ State of Louisiana;

Hancock, Harrison, and Jackson Counties in the ~~State of Mississippi~~ State of Mississippi;

Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Currituck, Dare, Hyde, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans, Tyrrell, and Washington Counties in the ~~State of North Carolina~~ State of North Carolina;

Beaufort, Charleston, Colleton, Georgetown, Horry and Jasper Counties in the ~~State of South Carolina~~; State of South Carolina;

Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jackson, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Orange, Refugio, San Patricio and Willacy Counties in the ~~State of Texas~~ State of Texas;

and ~~The Commonwealth of Puerto Rico~~ the Commonwealth of Puerto Rico.

O. Flood means:

1. The release of water from, or the rising, overflowing, or breaking of boundaries of rivers, lakes, streams, ponds, or other natural or man-made bodies of water; or
2. Waves, tides, tidal waves, surface water, rain accumulation or runoff.

Flood includes spray from any of them, all whether driven by **wind** or not.

P. Fungus means any of a major group (fungi) of saprophytic and parasitic lower plants that lack chlorophyll and include but are not limited to molds, rusts, mildews, smuts, mushrooms, and yeasts, and any mycotoxins, spores, scents or by-products produced or released by fungi.

Q. Hail means precipitation composed of concentric layers of clear ice and hardened snow in the shape of stones ranging in size from pea to softball or larger.

R. Limit(s) of liability means the maximum amount **we** will pay for a **covered loss**.

S. Media means the medium on which **data** or **software** is stored, such as: magnetic tape, perforated paper tape, punch cards, media cards, discs, drums, and other storage devices used in **your data processing equipment**.

T. Miscellaneous location(s) means a location other than:

1. A covered location;

2. A new location;

3. An unscheduled location;

4. A location where **covered property** is at an exhibition, exposition, fair or trade show; or

DEFINITIONS (Continued)

5. A Location for which coverage is found, in whole or in part, elsewhere in this policy including any coverage under errors and omissions.

U. Mobile equipment or tools means **your** mobile or land or vehicles, whether self propelled or not, including machinery or apparatus attached to them, which are not licensed or designed for highway use, including but not limited to power cranes, shovels, loaders, scrapers, graders, dozers, pavers, rollers, job trailers, diggers, drills and other road construction equipment, air compressors, pumps, generators, welders, scaffolding and transits. Mobile equipment does not include forklifts while situated at a **covered location**.

T. V. Named Storm means any storm or weather disturbance that is named by the U.S. National Weather Service's Tropical Prediction Center. All damage resulting from a single **named storm** that occurs within a continuous seventy-two (72) hour period will be considered a single **occurrence**.

U. W. New location(s) means: **1. Real property**, you purchase or rent, including **personal property** at that location, after the **effective date** of this policy.

2. Real property you begin to build;

After the **effective date** of this policy.

V. X. New Madrid means the Counties in the States as follows:

Clay, Craighead, Crittenden, Cross, Greene, Independence, Jackson, Lawrence, Lee, Mississippi, Monroe, Phillips, Poinsett, Randolph, St Francis, White, and Woodruff Counties in the ~~State of Arkansas~~ State of Arkansas;

Alexander, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pulaski, Randolph, Saline, Union, and Williamson Counties in the ~~State of Illinois~~ State of Illinois;

Ballard, Calloway, Carlisle, Crittenden, Fulton, Graves, Hickman, Livingston, Lyon, Marshall, and Mcracken Counties in the ~~State of Kentucky~~ State of Kentucky;

Desoto, Marshall, Tate, and Tunica Counties in the ~~State of Mississippi~~ State of Mississippi;

Bollinger, Butler, Cape Girardeau, Carter, Dunklin, Iron, Jefferson, Madison, Mississippi, New Madrid, Perry, Premiscot, Reynolds, Ripley, St Charles, St Francois, St Louis, Ste Genevieve, Scott, Stoddard, and Wayne Counties in the ~~State of Missouri~~ State of Missouri;

Crockett, Dyer, Fayett, Gibson, Hardeman, Haywood, Henry, Lake, Lauderdale, Madison, Obion, Shelby, Tipton, and Weakley Counties in the ~~State of Tennessee~~ State of Tennessee;

W. Y. Object(s) means the following:

1. Unless specified otherwise in an endorsement to this policy.

(a) a. Equipment at a **covered location** that generates, transmits or utilizes energy including electronic communications and **data processing equipment**.

(b) b. Equipment at a **covered location** which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

DEFINITIONS (Continued)

2. **Object(s)** does not include any of the following:

- ~~(a)~~ **a.** Structure, including but not limited to the structural portions of buildings and towers, scaffolding, and any air supported structure;
- ~~(b)~~ **b.** Foundation;
- ~~(c)~~ **c.** Cabinet, compartment, conduit or ductwork;
- ~~(d)~~ **d.** Insulating or refractory material;
- ~~(e)~~ **e.** Buried vessels or piping;
- ~~(f)~~ **f.** Waste, drainage or sewer piping;
- ~~(g)~~ **g.** Piping, valves or fittings forming a part of a sprinkler or fire suppression system;
- ~~(h)~~ **h.** Water piping that is not part of a closed loop used to conduct heat or cooling from a boiler of refrigeration or air conditioning system;
- ~~(i)~~ **i.** Vehicle or any equipment mounted on a vehicle;
- ~~(j)~~ **j.** Satellite, spacecraft, or any equipment mounted on a satellite or spacecraft;
- ~~(k)~~ **k.** Dragline, excavation or construction equipment;
- ~~(l)~~ **l.** Equipment manufactured by **you** for sale; or
- ~~(m)~~ **m.** Data.

~~X.~~ **Z.** **Occurrence** means all loss or damage attributable directly or indirectly to one (1) cause or series of similar causes. All such loss or damage will be added together, and the total loss or damage will be treated as one (1) **occurrence** irrespective of the amount of time or area over which such loss or damage occurs.

~~Y.~~ **A.A.** **Peril(s)-insured against** means causes of loss for which this policy provides coverage.

~~Z.~~ **B.B.** **Period of restoration** means;

1. For buildings and equipment, the period of time:

- ~~(a)~~ **a.** starts at the time of a **covered loss** and,
- ~~(b)~~ **b.** ends when using reasonable speed the building and equipment could be:
 - (1) repaired or replaced; and
 - (2) made ready for operations;

under the same or equivalent physical and operating conditions that existed prior to the damage.

DEFINITIONS (Continued)

2. For buildings ~~under~~ in the course of construction:
 - (a) **a.** We will apply the time period defined in **B.B. 1.** above to the level of business that would have been reasonably achieved after construction and startup would have been completed had no physical damage happened; and
 - (b) **b.** We will give consideration to the actual experience of the business after completion of the construction and startup.
3. For stock in-process and mercantile stock, including finished goods not manufactured by **you**, the time required using reasonable speed:
 - (a) **a.** To restore stock in process to the same state of manufacture which existed at the beginning of the interruption of production or suspension of business operations or services; and
 - (b) **b.** To replace physically damaged mercantile stock.
4. For raw materials and supplies, the period of time:
 - (a) **a.** Of actual interruption of production or suspension of operation or services which results from **your** inability to obtain suitable replacement raw materials and supplies; but
 - (b) **b.** Limited to that period for which the damaged raw materials and supplies would have satisfied operating needs.
5. For **valuable papers and records**, the time required using reasonable speed to copy the physically damaged **valuable papers and records** from backup or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.
6. For **data**, programs, or other **software**, the time required using reasonable speed to restore the physically damaged or destroyed **data**, programs, or other **software** from backup. This time does not include research, engineering or any other time necessary to restore or recreate lost information.
7. The **period of restoration** does not include any additional time due to **your** inability to resume operations for any other reason, including but not limited to:
 - (a) **a.** Making changes to equipment.
 - (b) **b.** Making changes to the buildings, or structures, except as provided in the Demolition Cost, ~~Operation of Building Laws and Increased Construction Cost~~ Increased Construction Cost and Operation of Building Laws provision, if coverage is shown on **EXTENSIONS OF COVERAGE, Form RM1002**, if a limit of liability is shown in **E. 4. b., E. 4. c. or E. 4. d.** of the **DECLARATIONS, Form RM1000**, attached to this policy.
 - (c) **c.** Restaffing or retraining employees.
 - (d) **d.** Any law or ordinance that requires testing, monitoring, clean up, removal, decontamination, treatment, detoxification or neutralization of, or any other response to **pollution or pollutant(s)**.
8. The expiration of this policy will not terminate the **period of restoration**. In no event will the **period of restoration** exceed twenty-four (24) months from the date of loss.

DEFINITIONS (Continued)

C.C. Perishable goods means any **covered property** subject to deterioration or impairment as a result of a change in conditions including but not limited to temperature, humidity or pressure.

~~A.A.~~ **D.D. Personal property** means **your** tangible things, other than **real property**, including improvements and betterments **you** have made in buildings **you** do not own.

~~B.B.~~ **E.E. Personal property of others** means tangible things, **you** do not own, other than **real property**, that ~~is~~ **are**:

1. Sold by **you** that **you** agreed, prior to loss, to insure for the account of the purchaser during delivery;
2. In **your** custody which **you** agreed, prior to loss, to insure; **or**
3. ~~You have sold under an installation agreement, if your responsibility continues until the purchaser accepts the installation. Installation coverage applies to any non-owned locations within the policy territory. Our installation limit of liability will be the sublimit of liability for unscheduled locations shown on the DECLARATIONS.~~
3. In **your** care, custody or control, and for which **you** are legally liable, but only to the extent of **your** insurable interest therein.

~~C.C.~~ **F.F. Policy period** means the time during which insurance is provided by this policy.

~~D.D.~~ **G.G. Pollutant(s)** means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, fiber, smoke, vapor, soot, fumes, acids, alkalis, chemicals, biological, organic or bacterial agents and waste. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed. However, **pollutant(s)** does not include ammonia.

~~E.E.~~ **H.H. Pollution** means the presence, discharge, dispersal, seepage, migration, release or escape of any **pollutant(s)**.

~~F.F.~~ **I.I. Puget Sound** means the ~~e~~**C**ounties of Clallam, Island, Jefferson, King, Kitsap, Mason, Pierce, San Juan, Skagit, Snohomish, Thurston, and Whatcom in the ~~State of Washington~~ **State of Washington**.

~~G.G.~~ **J.J. Real property** means buildings and any other structure, including:

1. ~~Attached~~ **Completed** additions, extensions, permanent fittings or fixtures;
2. Machinery and equipment used to service the buildings;
3. Yard fixtures.

~~H.H.~~ **K.K. Replacement cost** means the cost to replace **covered property**:

1. With new materials of like kind and quality and used for the same purpose; and
2. At the location where the loss happened.

But **replacement cost** excludes any increased cost of repair or reconstruction by reason of any law or ordinance regulating construction, repair or use.

DEFINITIONS (Continued)

~~I.I.~~ **L.L. Second tier wind Counties and Parishes** means the Counties and Parishes in the States as follows:

Clarke, Covington, Escambia, Geneva, Monroe, and Washington Counties in the ~~State of Alabama~~ State of Alabama;

Brantley, Brooks, Bulloch, Charlton, Effingham, Evans, Long, Tattnall, Thomas, and Wayne Counties in the ~~State of Georgia~~ State of Georgia;

Acadia, Assumption, Calcasieu, Iberville, Jefferson Davis, Lafayette, St Charles, St James, St John the Baptist, St Martin, Tangipahoa and Washington Parishes in the ~~State of Louisiana~~ State of Louisiana;

George, Pearl River, and Stone Counties in the ~~State of Mississippi~~ State of Mississippi;

Bladen, Columbus, Craven, Duplin, Gates, Halifax, Hertford, Jones, Lenoir, Martin, Northampton, Pitt and Sampson Counties in the ~~State of North Carolina~~ State of North Carolina;

Bamberg, Berkeley, Dillon, Dorchester, Hampton, Marion and Williamsburg Counties in the ~~State of South Carolina~~ State of South Carolina;

Bee, Brooks, Colorado, De Witt, Fort Bend, Goliad, Hardin, Harris, Hidalgo, Jasper, Jim Wells, Lavaca, Liberty, Live Oak, Newton, Tyler, Victoria, and Wharton Counties in the ~~State of Texas~~ State of Texas.

~~J.J.~~ **M.M. Sinkhole collapse** means loss to **covered property** resulting from the sudden sinking or collapse of any land into naturally occurring underground empty spaces created by the action of water on limestone or similar rock formations. Coverage for **sinkhole collapse** does not include the cost of filling sinkholes.

~~K.K.~~ **N.N. Software** means programs stored on **media** that instruct **data processing equipment** how to process **data**.

~~L.L.~~ **O.O. Specified peril(s)** means direct physical loss or damage caused by or resulting from:

1. Fire;
2. Lightning;
3. Aircraft;
4. Explosion;
5. Riot;
6. Civil commotion;
7. Smoke;
8. Vehicles;
9. **Wind or hail**;
10. Malicious mischief;
11. Leakage or accidental discharge from automatic fire protection system;
12. Collapse.

DEFINITIONS (Continued)

~~M.M.~~ **P.P.** **Transit** means the conveyance of **your personal property** within the **policy period** and territory as specified in this policy, from the time it leaves the original point of shipment until it arrives at its intended destination.

This period includes:

1. While the property is in the care, custody or control of hired carriers; and
2. Transfers between conveyances.

Transit does not include **personal property** while in the custody of **your** salespeople, or while being conveyed between a **covered location** and the location of an exhibition, exposition, fair or trade show.

Should this policy expire or be cancelled after the property leaves the original point of shipment but before it arrives at its intended destination, coverage will continue on this **personal property** until it arrives at its intended destination.

~~N.N.~~ **Q.Q.** **Unscheduled location(s)** means:

1. **Real property** reported to **us**, but not shown on the Schedule, of the DECLARATIONS, Form RM1000, which **you** owned or ~~occupied~~ **rented** before the **effective date**; and
2. Locations reported to **us**, but not shown on the Schedule, of the DECLARATIONS, Form RM1000, at which **you** had **personal property** before the **effective date** other than **new locations**.

~~O.O.~~ **R.R.** **Valuable papers and records** means written or printed documents or records including books, maps, ~~exposed film~~, **negatives**, drawings, abstracts, deeds, mortgages and manuscripts.

~~P.P.~~ **S.S.** **Volcanic activity** means direct physical loss or damage to **covered property** directly resulting from:

1. Airborne volcanic blast or shockwave;
2. Ash, dust or particulate matter; or
3. Lava flow.

All **volcanic activity** resulting from volcanic eruptions occurring within any one-hundred sixty-eight (168) hour period will constitute a single **occurrence**.

Volcanic activity does not include the cost to remove ash, dust or particulate matter that does not cause direct physical damage to **covered property**.

~~Q.Q.~~ **T.T.** **We, us and our(s)** means the company issuing this policy, as shown on the DECLARATIONS, Form RM1000.

~~R.R.~~ **U.U.** **Wind** means the direct action of the movement of air at any velocity including any substance driven by the movement of the air.

~~S.S.~~ **V.V.** **You and your(s)** mean the named insured shown on the DECLARATIONS, Form RM1000.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES

Location	Description of Property	Name and Address of Mortgage Holder or Loss Payee	Interests ("M" for Mortgage Holder) ("LP" for Loss Payee)
----------	-------------------------	--	---

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF MORTGAGE HOLDERS OR LOSS PAYEES

Location	Description of Property	Name and Address of Mortgage Holder or Loss Payee	Interests ("M" for Mortgage Holder) ("LP" for Loss Payee) ("LLP" for Lender's Loss Payable) ("CS" for Contract of Sale)
----------	-------------------------	--	--

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACCOUNTS RECEIVABLE COVERAGE

- 1. We will pay the following expenses directly resulting from a covered loss to your records of accounts receivable at a covered location:**

- A.** Amounts due **you** from customers that **you** are unable to collect;
- B.** Interest charges on any loan to offset amounts **you** are unable to collect, pending **our** payment of those amounts;
- C.** Collection expense above **your** normal collection expense; and,
- D.** Reasonable expenses **you** incur to reestablish **your** records of accounts receivable.

- 2. Amount of Loss**

- A.** If **you** are unable to accurately determine the amount of outstanding accounts receivable at the time of loss, **our** payment will be calculated in the following manner:

Your average monthly accounts receivable amount, based on the twelve (12) months preceding the loss, adjusted for normal fluctuations in the month in which the loss occurs, or for any demonstrated variance for that month.

- B.** The following will be deducted from the total amount of accounts receivable, regardless of the method used to determine that amount:

- (1)** Balances for accounts not damaged or affected by the loss;
- (2)** Amounts of accounts **you** are able to reestablish and collect;
- (3)** An allowance for bad debts **you** are not normally able to collect;
- (4)** All unearned interest and service charges.

- 3. Limits of Liability**

We will not pay more than the **limits of liability** shown on the Schedule of this endorsement for any one (1) **occurrence**. These **limits of liability** are in addition to any other applicable **limit of liability**.

- 4. Exclusions**

For the purposes of this endorsement, the following additional exclusions apply and **we** will not pay for:

- A.** Any loss that requires an audit or inventory to establish its existence;
- B.** Any fraudulent, dishonest or criminal act done by:

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ACCOUNTS RECEIVABLE COVERAGE (Continued)

(1) Anyone entrusted with the **covered property**, including their employees and agents; or

(2) Anyone having an interest in the **covered property**.

This exclusion does not apply to the acts of a carrier for hire.

C. Bookkeeping, accounting, or billing errors or omissions.

D. Wrongful alteration, falsification, manipulation, concealment, destruction, or disposal of records of accounts receivable, committed to conceal the wrongful giving, taking, getting, or withholding of money, securities, or other property.

5. Conditions

A. When **you** are not open for business, or when **you** are not actually using them, all records of accounts receivable are to be kept in appropriate, fire-resistant receptacles.

B. When records of accounts receivable have been damaged or destroyed, **you** must use all reasonable efforts, including legal action if necessary, to obtain collection of any outstanding accounts receivable, and **we** will pay such costs and expenses of obtaining collection to the extent they reduce **your** loss.

C. When records of accounts receivable have been damaged or destroyed, **you** will use any property or service owned or controlled by **you** or obtainable from other sources in order to reduce **your** loss.

Schedule

Location

Limit of Liability

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOBILE EQUIPMENT OR TOOLS EXTENSION

This endorsement modifies insurance provided under the following:

PROPERTY NOT COVERED, Form RM1004

1. We will pay for loss to **your mobile equipment or tools** resulting from a **peril insured against** while away from a **covered location** subject to the following:

2. We will not pay more than:

A. The **limits of liability** shown on the Schedule of this endorsement;

B. \$_____ on any one (1) item or piece of *newly acquired mobile equipment or tools* **you** own; or

C. \$_____ on any one (1) item or piece of **mobile equipment or tools** leased or rented by **you**.

We will not pay more than \$_____ in any one (1) **occurrence**.

3. We will not pay unless a **covered loss** exceeds:

() Straight Deductible:

\$_____. We will then pay the amount of loss in excess of the deductible, up to the applicable **limit of liability**.

() Percentage Deductible:

_____ percent of the reported values applicable to the lost or damaged **mobile equipment or tools**. This percentage deductible will not be less than \$_____ or more than \$_____ in any one (1) **occurrence**. We will then pay the amount of loss in excess of the deductible, up to the applicable **limit of liability**.

4. **You** will keep a record of all *newly acquired mobile equipment or tools* bought during the **policy period** including the value of the equipment and the date it was purchased. **You** will also provide changes in the values of equipment currently insured, and in the case of leased or rented equipment, the total annual *cost of hire*. **You** will report this information to **us** at the time **you** report the values at risk, or at expiration or cancellation of this policy, whichever occurs first.

A premium charge will be made unless waived by **us**.

MOBILE EQUIPMENT OR TOOLS EXTENSION (Continued)

5. For the purpose of coverage provided by this endorsement the *italicized* term:
- A. *Cost of hire* means only the actual cost of renting equipment. It does not include the cost of operators furnished with the equipment.
 - B. *Newly acquired mobile equipment or tools* means **mobile equipment or tools you** buy after the **effective date** of this endorsement.
6. If marked with an "X" **covered loss** to **mobile equipment or tools** provided by this endorsement will be valued at the time and place of loss at **replacement cost**:
- () **Replacement Cost**

Schedule

Description of Mobile Equipment or Tools	Manufacturer	Serial No.	Limit of Liability
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOBILE EQUIPMENT OR TOOLS EXTENSION

This endorsement modifies insurance provided under the following:

PROPERTY NOT COVERED, Form RM1004

- 1. We will pay for loss to your mobile equipment or tools resulting from a **peril insured against** while away from a **covered location** subject to the following:**

~~We will not pay more than \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) **occurrence** for a loss covered by this endorsement. This **limit of liability** replaces any sublimit of liability that would have applied without this endorsement.~~

~~— This endorsement does not increase any other applicable **limit of liability**.~~

~~— This endorsement applies to **your** mobile equipment or tools according to the following paragraph marked with an "X":~~

~~— (<<ENTER X OR SPACE>>) — All equipment; or,~~

~~— (<<ENTER X OR SPACE>>) — Equipment shown on the Schedule of this endorsement.~~

- 2. We will not pay more than:**

A. The **limits of liability shown on the Schedule of this endorsement;**

B. \$<<LIMIT PER OCCURRENCE or NO COVERAGE>> on any one (1) item or piece of *newly acquired mobile equipment or tools* **you own; or**

C. \$<<LIMIT PER OCCURRENCE or NO COVERAGE>> on any one (1) item or piece of **mobile equipment or tools leased or rented by **you**.**

We will not pay more than \$<<LIMIT PER OCCURRENCE>> in any one (1) **occurrence.**

- 3. We will not pay unless a **covered loss** exceeds:**

(<<ENTER X OR SPACE>>) Straight Deductible:

\$<<ENTER DEDUCTIBLE or NOT APPLICABLE>>. **We will then pay the amount of loss in excess of the deductible, up to the applicable **limit of liability**.**

(<<ENTER X OR SPACE>>) Percentage Deductible:

MOBILE EQUIPMENT OR TOOLS EXTENSION (Continued)

<<ENTER APPROPRIATE PERCENT OR N/A>> percent of the reported values applicable to the lost or damaged **mobile equipment or tools**. This percentage deductible will not be less than \$<<LIMIT PER OCCURRENCE or NOT APPLICABLE>> or more than \$<<LIMIT PER OCCURRENCE or NOT APPLICABLE>> in any one (1) **occurrence**. We will then pay the amount of loss in excess of the deductible, up to the applicable **limit of liability**.

4. **You** will keep a record of all *newly acquired mobile equipment or tools* bought during the **policy period** including the value of the equipment and the date it was purchased. **You** will also provide changes in the values of equipment currently insured, and in the case of leased or rented equipment, the total annual *cost of hire*. **You** will report this information to **us** at the time **you** report the values at risk, or at expiration or cancellation of this policy, whichever occurs first.

A premium charge will be made unless waived by **us**.

5. For the purpose of coverage provided by this endorsement the *italicized* term:

A. *Cost of hire* means only the actual cost of renting equipment. It does not include the cost of operators furnished with the equipment.

B. *Newly acquired mobile equipment or tools* means **mobile equipment or tools** you buy after the **effective date** of this endorsement.

6. If marked with an "X" **covered loss** to **mobile equipment or tools** provided by this endorsement will be valued at the time and place of loss at **replacement cost**:

(<<ENTER X OR SPACE>>) **Replacement Cost**

Schedule

Description of Mobile Equipment or Tools	Manufacturer	Serial number	Limit of Liability
<<ENTER DESCRIPTION>>	<<ENTER MANUFACTURER>>	<<ENTER SERIAL NO.>>	<<ENTER APPROPRIATE LIMIT>>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. **We** will pay for direct physical loss or damage to **covered property** resulting from leakage of an automatic fire extinguishing system caused by sudden **earth movement**.

In addition, if coverage is provided for **business income** or **extra expense** in **B**. Coverages of the DECLARATIONS, Form RM1000, **we** will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage resulting from leakage of an automatic fire extinguishing system to **covered property** caused by sudden **earth movement**.

All sudden **earth movement** within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. Limit of Liability

The following **limits of liability** do not increase any other applicable **limit of liability**.

- A. The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence** of leakage from an automatic fire extinguishing system caused by sudden **earth movement** will be the lesser of the applicable **limit of liability** shown on:

(1) The DECLARATIONS, Form RM1000;

(2) EXTENSIONS OF COVERAGE, Form RM1002;

(3) The Schedule of this endorsement for that particular state or the particular location(s); or

(4) Any other applicable endorsement to this policy.

- B. The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for all leakage from an automatic fire extinguishing system losses caused by sudden **earth movement** during any one (1) policy year is \$_____.

3. Deductible

- A. **We** will not pay for leakage from an automatic fire extinguishing system loss caused by sudden **earth movement** until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. **We** will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION (Continued)

- B.** If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for leakage from an automatic fire extinguishing system caused by sudden **earth movement** until the loss exceeds the greater of:

- (1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:
 - a. the total reported values on file with us for the **covered property** at the **covered location** when and where the loss occurred; plus
 - b. the full annual **business income** value which **you** would have earned in the twelve (12) month period following the loss had no loss occurred; or
- (2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable **limit of liability**.

4. If indicated by an asterisk (*) after the deductible amount, a separate deductible amount will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement.
5. Leakage from an automatic fire extinguishing system caused by sudden **earth movement** coverage provided under this endorsement does not apply to the following:

When marked with an "X", **covered property** at any location in:

- A. ☐ The State of Alaska;
- B. ☐ The State of California;
- C. ☐ The State of Hawaii;
- D. ☐ The State of Nevada;
- E. ☐ The area defined in this policy as **New Madrid**;
- F. ☐ The area defined in this policy as **Puget Sound**;
- G. ☐ The Commonwealth of Puerto Rico; and
- H. ☐ Any other location(s) shown below:

Location

Refer to the last page of this endorsement for the Schedule of States and Locations for which coverage is provided by this endorsement.

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION (Continued)

Schedule of States and Locations

State or Location	Limit of Liability per occurrence	Limit of Liability in any one (1) policy year	Deductible Amount
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. **We** will pay for direct physical loss ~~or damage~~ to **covered property** resulting from leakage of an automatic fire extinguishing system caused by sudden **earth movement**.

In addition, if coverage is provided for **business income** or **extra expense** in **B. Coverages of the DECLARATIONS**, Form RM1000, **we** will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage resulting from leakage of an automatic fire extinguishing system to **covered property** caused by sudden **earth movement**.

All ~~earthquake shocks~~ sudden **earth movement** within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. Limit of Liability

The following **limits of liability** do not increase any other applicable **limit of liability**.

- A. The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence** of leakage from an automatic fire extinguishing system caused by sudden **earth movement** will be the lesser of the applicable **limit of liability** shown on:

(1) ~~The applicable **limit of liability** per **occurrence** shown on the Schedule of t~~ The DECLARATIONS; ~~Form RM1000; or~~

~~(2) For new locations or unscheduled locations, the applicable sublimit of liability per **occurrence** as shown in 5. Optional Extensions of Coverage Sublimits of Liability of the DECLARATIONS.~~

(2) EXTENSIONS OF COVERAGE, Form RM1002;

~~(3) \$<<ENTER APPROPRIATE AMOUNT>> per **occurrence**.~~

(3) The Schedule of this endorsement for that particular state or the particular location(s); or

(4) Any other applicable endorsement to this policy.

- B. The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for all leakage from an automatic fire extinguishing system losses caused by sudden **earth movement** during any one (1) policy year is \$<<ENTER LOL>>.

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION (Continued)

3. Deductible

A. ~~Your deductible for each leakage from an automatic fire extinguishing system loss caused by sudden earth movement will be set according to the following paragraph that is marked with an "X".~~

~~((<<X OR SPACE>>)) We will not pay for a loss until it exceeds \$<<ENTER APPROPRIATE AMOUNT>>. We will then pay the amount of loss in excess of the deductible, up to the applicable limit of liability.~~

~~((<<X OR SPACE>>)) We will not pay for a loss until the loss exceeds <<ENTER %>> % of the total insurable values of the covered property, including all time element values, at the location where the loss has occurred, subject to a minimum deductible amount of \$<<ENTER APPROPRIATE AMOUNT>>. We will then pay the amount of loss in excess of the deductible, up to the applicable limit of liability.~~

B. ~~These deductibles do not apply to covered property in transit.~~

A. We will not pay for leakage from an automatic fire extinguishing system loss caused by sudden **earth movement** until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. We will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.

B. If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for leakage from an automatic fire extinguishing system caused by sudden **earth movement** until the loss exceeds the greater of:

(1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:

- a. the total reported values on file with us for the **covered property** at the **covered location** when and where the loss occurred; plus
- b. the full annual **business income** value which **you** would have earned in the twelve (12) month period following the loss had no loss occurred; or

(2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable **limit of liability**.

4. If indicated by an asterisk (*) after the deductible amount, a separate deductible amount will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement.

~~**5.** When indicated, leakage from an automatic fire extinguishing system caused by sudden earth movement coverage provided under this endorsement does not apply to the following:~~

When marked with an "X", **covered property** at any location in:

- A.** ((<< X OR SPACE>>)) The State of Alaska;
- B.** ((<< X OR SPACE>>)) The State of California;
- C.** ((<< X OR SPACE>>)) The State of Hawaii;

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION (Continued)

- D. (<< X OR SPACE>>) The State of Nevada;
- E. (<< X OR SPACE>>) The area defined in this policy as **New Madrid**;
- F. (<< X OR SPACE>>) The area defined in this policy as **Puget Sound**;
- G. (<< X OR SPACE>>) The Commonwealth of Puerto Rico; and
- H. (<< X OR SPACE>>) Any other location(s) shown below:

Location

<<ENTER LOCATION>>

Refer to the last page of this endorsement for the Schedule of States and Locations for which coverage is provided by this endorsement.

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION (Continued)

Schedule of States and Locations			
State or Location	Limit of Liability per occurrence	Limit of Liability in any one (1) policy year	Deductible Amount

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT COVERAGE

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. **We** will pay for direct physical loss or damage to **covered property** caused by sudden **earth movement** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

In addition, if coverage is provided for **business income** or **extra expense** in **B. Coverages of the DECLARATIONS**, Form RM1000, **we** will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage to **covered property** caused by sudden **earth movement** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

If **your** policy includes EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION, Form RM1105, there is no coverage in this endorsement for any loss or damage (including any coverage for **business income** or **extra expense**) resulting from leakage of an automatic fire extinguishing system caused by sudden **earth movement** (see Form RM1105 for any coverage for such loss or damage).

All **earth movement**, including any earthquake shocks, within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. Limit of Liability

The following **limits of liability** do not increase and are not in addition to any other applicable **limit of liability**.

- A. The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence** of sudden **earth movement** loss will be the lesser of the applicable **limit of liability** shown on:

- (1) The DECLARATIONS, Form RM1000;
- (2) EXTENSIONS OF COVERAGE, Form RM1002;
- (3) The Schedule of this endorsement for that particular state or the particular location(s); or
- (4) Any other applicable endorsement to this policy.

- B. The most **we** will pay for all loss or damage caused by all sudden **earth movement**, including any loss of **business income** or **extra expense**, during any one (1) policy year is \$_____.

EARTH MOVEMENT COVERAGE (Continued)

3. Deductible Amount

- A. We will not pay for a sudden **earth movement** loss until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. We will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.
- B. If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for an **earth movement** loss until the loss exceeds the greater of:

- (1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:
- a. the total reported values on file with us for the **covered property** at the **covered location** when and where the loss occurred; plus
 - b. the full annual **business income** value which **you** would have earned in the twelve (12) month period following the loss had no loss occurred; or
- (2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable **limit of liability**.

- C. These deductibles do not apply to **covered property** in **transit**.
- D. If indicated by an asterisk (*) after the deductible amount, a separate deductible amount will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement.
4. This endorsement does not apply to, and no **earth movement** coverage is provided for, the following coverage(s):
5. This endorsement does not apply to, and no **earth movement** coverage is provided for, any **covered property** situated in or at the following state(s) and location(s):

When indicated with an (X), **covered property** at any location situated in:

- A. ☐ The State of Alaska;
- B. ☐ The State of California;
- C. ☐ The State of Hawaii;
- D. ☐ The State of Nevada;
- E. ☐ The area defined in this policy as **New Madrid**;
- F. ☐ The area defined in this policy as **Puget Sound**;

EARTH MOVEMENT COVERAGE (Continued)

G. () The Commonwealth of Puerto Rico; and

H. () Any other location(s) shown below:

Location

Refer to the last page of this endorsement for the Schedule of States and Locations for which **earth movement** coverage is provided by this policy.

EARTH MOVEMENT COVERAGE (Continued)

Schedule of States and Locations

State or Location	Limit of Liability per occurrence	Limit of Liability in any one (1) policy year	Deductible Amount
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT COVERAGE

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. We will pay for direct physical loss or damage to **covered property** caused by sudden **earth movement** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

In addition, if coverage is provided for **business income** or **extra expense** in **B. Coverages of the DECLARATIONS**, Form RM1000, we will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage to **covered property** caused by sudden **earth movement** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

If **your** policy includes EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION, Form RM1105, there is no coverage in this endorsement for any loss or damage (including any coverage for **business income** or **extra expense**) resulting from leakage of an automatic fire extinguishing system caused by sudden **earth movement** (see Form RM1105 for any coverage for such loss or damage).

All **earth movement**, including any earthquake shocks, within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. Limit of Liability

The following **limits of liability** do not increase and are not in addition to any other applicable **limit of liability**.

- A. The most we will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence** of sudden **earth movement** loss will be the lesser of the applicable **limit of liability** shown on:

(1) The applicable **limit of liability** per **occurrence** shown on the Schedule of the DECLARATIONS, Form RM1000; or

(2) For ~~new locations or unscheduled locations~~, the applicable sublimit of liability per **occurrence** as shown in **5. Optional Extensions of Coverage—Sublimits of Liability of the DECLARATIONS**.

(2) EXTENSIONS OF COVERAGE, Form RM1002;

(3) \$<<ENTER APPROPRIATE AMOUNT>> per **occurrence**. The Schedule of this endorsement for that particular state or the particular location(s); or

(4) Any other applicable endorsement to this policy.

- B. The most we will pay for all loss or damage caused by all sudden **earth movement**, including any loss of **business income** or **extra expense**, for all **earth movement** losses during any one (1) policy year is \$<<ENTER

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EARTH MOVEMENT COVERAGE (Continued)

APPROPRIATE AMOUNT>>.

3. Deductible Amount

~~A. Your deductible for each earth movement loss will be set according to the following paragraph that is marked with an "X".~~

~~((<<X OR SPACE>>)) We will not pay for an earth movement loss until it exceeds \$<<ENTER APPROPRIATE AMOUNT>>. We will then pay the amount of loss in excess of this amount, up to the applicable limit of liability.~~

~~((<<X OR SPACE>>)) We will not pay for an earth movement loss until the loss exceeds <<FILL IN % or NA>> % of the total insurable values at the location where the loss has occurred, including all values associated with any business income or extra expense coverage provided by this policy, subject to a minimum deductible amount of \$<<ENTER APPROPRIATE AMOUNT>>. We will then pay the amount of loss in excess of the greater of these two (2) amounts, up to the applicable limit of liability.~~

A. We will not pay for a sudden earth movement loss until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. We will then pay the amount of loss in excess of the applicable deductible, up to the applicable limit of liability.

B. If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for an earth movement loss until the loss exceeds the greater of:

(1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:

- a. the total reported values on file with us for the covered property at the covered location when and where the loss occurred; plus
- b. the full annual business income value which you would have earned in the twelve (12) month period following the loss had no loss occurred; or

(2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable limit of liability.

~~B.~~ C. These deductibles do not apply to covered property in transit.

D. If indicated by an asterisk (*) after the deductible amount, a separate deductible amount will apply to any covered property, loss of business income, extra expense, or any other coverage or peril listed on the Schedule of this endorsement.

~~4. Earth movement coverage provided under this endorsement does not apply to any of the following:~~

4. This endorsement does not apply to, and no earth movement coverage is provided for, the following coverage(s):

<<ENTER COVERAGE(S) OR NOT APPLICABLE>>

EARTH MOVEMENT COVERAGE (Continued)

5. This endorsement does not apply to, and no **earth movement** coverage is provided for, any **covered property** situated in or at the following state(s) and location(s):

When indicated with an (X), **covered property** at any location situated in:

- A. (<< X OR SPACE>>) The State of Alaska;
- B. (<< X OR SPACE>>) The State of California;
- C. (<<X OR SPACE>>) The State of Hawaii;
- D. (<< X OR SPACE>>) The State of Nevada;
- E. (<<X OR SPACE>>) The area defined in this policy as **New Madrid**;
- F. (<<X OR SPACE>>) The area defined in this policy as **Puget Sound**;
- G. (<< X OR SPACE>>) The Commonwealth of Puerto Rico; and
- H. (<< X OR SPACE>>) Any other location(s) shown below:

Location

<<ENTER LOCATION>>

Refer to the last page of this endorsement for the Schedule of States and Locations for which **earth movement** coverage is provided by this policy.

EARTH MOVEMENT COVERAGE (Continued)

Schedule of States and Locations

State or Location	Limit of Liability per occurrence	Limit of Liability in any one (1) policy year	Deductible Amount
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTH MOVEMENT COVERAGE (SCHEDULED STATES OR LOCATIONS)

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

- 1. We** will pay for direct physical loss to **covered property** caused by sudden **earth movement** at or within the states and locations shown on the Schedule of this endorsement.

All earthquake shocks within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

- 2. Limit of Liability**

The following **limits of liability** do not increase any other applicable **limit of liability**.

- A.** The most **we** will pay for each **occurrence** of **earth movement** loss within a state or at a location shown on the Schedule of this endorsement will be the lesser of:

- (1)** The applicable **limit of liability** per **occurrence** shown on the Schedule of the DECLARATIONS; or

- (2)** For **new locations** or **unscheduled locations**, the applicable sublimit of liability per **occurrence** as shown in **5. Optional Extensions of Coverage - Sublimits of Liability** of the DECLARATIONS.

- (3)** The applicable **limit of liability** per **occurrence** shown for that particular state or location shown on the Schedule of this endorsement.

- B.** The most **we** will pay for all **earth movement** losses during any policy year is \$_____.

- 3. Deductible**

- A.** **We** will not pay for an **earth movement** loss until the loss exceeds the applicable flat amount deductible or percentage deductible shown for that particular state or location shown on the Schedule of this endorsement. **We** will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.

- B.** The percentage deductible amount is determined by multiplying the percentage deductible factor for that particular state or location shown on the Schedule of this endorsement by the total insurable values for that particular state or location, including all values associated with any **business income** or **extra expense** coverage provided by this policy.

- C.** When an **earth movement** loss is greater than the minimum and percentage deductible amounts, the greater of these amounts will apply.

- D.** These deductibles do not apply to **covered property** in **transit**.

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EARTH MOVEMENT COVERAGE (SCHEDULED STATES OR LOCATIONS) (Continued)

4. **Earth movement** coverage provided under this endorsement does not apply to any of the following:

When indicated with an (X), **covered property** at any location situated in:

- A. ☐ The State of Alaska;
- B. ☐ The State of California;
- C. ☐ The State of Hawaii;
- D. ☐ The State of Nevada;
- E. ☐ The area defined in this policy as **New Madrid**;
- F. ☐ The area defined in this policy as **Puget Sound**;
- G. ☐ The Commonwealth of Puerto Rico; and
- H. ☐ Any other location(s) shown below:

Location

5. Refer to the last page of this form for the Schedule of States and Locations covered by this policy.

EARTH MOVEMENT COVERAGE (SCHEDULED STATES OR LOCATIONS) (Continued)

Schedule of States and Locations

State or Location	Limit of Liability Per Occurrence	Limit of Liability in any one policy year	Flat Amount Deductible	Percentage Deductible Percent	Minimum
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD COVERAGE

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

- 1. We** will pay for direct physical loss or damage to **covered property** caused by **flood** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

In addition, if coverage is provided for **business income** or **extra expense** in **B**. Coverages of the DECLARATIONS, Form RM1000, **we** will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage to **covered property** caused by **flood** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

All **flood** losses within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

- 2. Limit of Liability**

The following **limits of liability** do not increase and are not in addition to any other applicable **limit of liability**.

- A.** The most **we** will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence of flood** loss within a state(s) or at a location(s) shown on the Schedule of this endorsement will be the lesser of the applicable **limit of liability** shown on:

(1) The DECLARATIONS, Form RM1000;

(2) EXTENSIONS OF COVERAGE, Form RM1002;

(3) The Schedule of this endorsement for that particular state or the particular location(s); or

(4) Any other applicable endorsement to this policy.

- B.** The most **we** will pay for all loss or damage caused by **flood**, including any loss of **business income** or **extra expense**, during any one (1) policy year is \$_____.

- 3. Deductible Amount**

- A.** **We** will not pay for a **flood** loss until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. **We** will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.

FLOOD COVERAGE (Continued)

- B.** If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for a **flood** loss until the loss exceeds the greater of:

- (1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:
 - a. the total reported values on file with **us** for the **covered property** at the **covered location** when and where the loss occurred; plus
 - b. the full annual **business income** value which **you** would have earned in the twelve (12) month period following the loss had no loss occurred; or
- (2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable **limit of liability**.

- C.** These deductibles do not apply to **covered property** in **transit**.

- D.** If indicated by an asterisk (*) after the deductible amount, a separate deductible amount will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement.

4. This endorsement does not apply to, and no **flood** coverage is provided for, the following coverage(s):
5. This endorsement does not apply to, and no **flood** coverage is provided for, any **covered property** situated in or at the following state(s) and location(s):

Refer to the last page of this endorsement for the Schedule of States and Locations for which **flood** coverage is provided by this policy.

FLOOD COVERAGE (Continued)

Schedule of States and Locations

State or Location	Limit of Liability per occurrence	Limit of Liability in any one (1) policy year	Deductible Amount
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD COVERAGE

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. We will pay for direct physical loss or damage to **covered property** caused by **flood** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

In addition, if coverage is provided for **business income** or **extra expense** in **B. Coverages of the DECLARATIONS**, Form RM1000, we will pay for covered loss of **business income** or **extra expense** that results from direct physical loss or damage to **covered property** caused by **flood** within a state(s) or at a location(s) shown on the Schedule of this endorsement.

All **flood** losses within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. Limit of Liability

The following **limits of liability** do not increase and are not in addition to any other applicable **limit of liability**.

- A. The most we will pay for all loss or damage, including any loss of **business income** or **extra expense**, for each **occurrence of flood** loss within a state(s) or at a location(s) shown on the Schedule of this endorsement will be the lesser of the applicable **limit of liability** shown on:

(1) The applicable **limit of liability per occurrence** shown on the Schedule of the DECLARATIONS, Form RM1000;
or

~~(2) For new locations or unscheduled locations, the applicable sublimit of liability per occurrence as shown in 5. Optional Extensions of Coverage—Sublimits of Liability of the DECLARATIONS.~~

(2) EXTENSIONS OF COVERAGE, Form RM1002:

(3) \$<<ENTER LOL>> per **occurrence**. The Schedule of this endorsement for that particular state or the particular locations(s); or

(4) Any other applicable endorsement to this policy.

- B. The most we will pay for all loss or damage, caused by **flood** including any loss of **business income** or **extra expense**, for all **flood** losses during any one (1) policy year is \$<<ENTER APPROPRIATE AMOUNT>>.

FLOOD COVERAGE (Continued)

3. Deductible Amount

~~A. Your deductible for each flood loss will be set according to the following paragraph that is marked with an "X".~~

~~((<<FILLIN X OR SPACE>>)) We will not pay for a flood loss until it exceeds \$<<ENTER FLAT \$ DED or NOT APPLICABLE>>. We will then pay the amount of loss in excess of this amount, up to the applicable limit of liability.~~

~~((<<FILLIN X OR SPACE>>)) We will not pay for a flood loss until the loss exceeds <<FILLIN % or NA>> % of the total insurable values at the location where the loss has occurred, including all values associated with any business income or extra expense coverage provided by this policy, subject to a minimum deductible amount of \$<<ENTER APPROPRIATE AMOUNT>>. We will then pay the amount of loss in excess of the greater of these two (2) amounts, up to the applicable limit of liability.~~

A. We will not pay for a flood loss until the loss exceeds either the applicable flat amount deductible or percentage deductible shown for that particular state or the particular location(s) shown on the Schedule of this endorsement. We will then pay the amount of loss in excess of the applicable deductible, up to the applicable limit of liability.

B. If a percentage deductible is shown on the Schedule of this endorsement, the deductible amount will be determined as follows:

We will not pay for a flood loss until the loss exceeds the greater of:

(1) The sum of multiplying the deductible factor shown on the Schedule of this endorsement for a particular state or location(s) times:

a. the total reported values on file with us for the covered property at the covered location when and where the loss occurred; plus;

b. the full annual business income value which you would have earned in the twelve (12) month period following the loss had no loss occurred; or

(2) The corresponding minimum deductible amount also shown for that particular state or the particular location(s).

We will then pay the amount of the loss in excess of the greater of these two (2) amounts up to the applicable limit of liability.

~~B.~~ C. These deductibles do not apply to covered property in transit.

D. If indicated by an asterisk(*) after the deductible amount, a separate deductible amount will apply to any covered property, loss of business income, extra expense, or any other coverage or peril listed on the Schedule of this endorsement.

4. When indicated with an (X), flood coverage provided under this endorsement does not apply to any of the following:

~~((<<FILLIN X OR SPACE>>)) A. Any covered property situated in a Special Flood Hazard Area (SFHA), as defined by the Federal Emergency Management Agency (FEMA). SFHA includes Flood Zones, A, AO, AE, AH, A1 30, A99, AR, V, VE, and V1 30. (See Form RM1132 for a Schedule of known locations.)~~

~~We do not assume any responsibility to either provide or procure flood coverage for property within a SFHA.~~

FLOOD COVERAGE (Continued)

~~((<<FILL IN X OR SPACE>>)) **B.** Any **covered property** at a **covered location** situated in ~~Zone B or X~~ shaded which is the area defined by the Federal Emergency Management agency (FEMA) as being subject to inundation by a one hundred (100) to five hundred (500) year **flood** event. (One hundred (100) to five hundred (500) year **flood** plain). (See Form RM1132 for a Schedule of known locations.)~~

~~((<<FILL IN X OR SPACE>>)) **C.** Other **covered property** at **covered locations** that are not in the areas defined by **4. A.** and **4. B.** of this endorsement and are shown below:~~

Location

4. This endorsement does not apply to, and no **flood** coverage is provided for, the following coverage(s):

<<ENTER COVERAGE(S) or NOT APPLICABLE >>

5. This endorsement does not apply to, and no **flood** coverage is provided for, any **covered property** situated in or at the following state(s) and location(s):

<<ENTER LOCATION(S) or NOT APPLICABLE >>

Refer to the last page of this endorsement for the Schedule of States and Locations for which **flood** coverage is provided by this policy.

FLOOD COVERAGE (Continued)

Schedule of States and Locations

State or Location	Limit of Liability per occurrence	Limit of Liability in any one (1) policy year	Deductible Amount
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD COVERAGE (SCHEDULED STATES OR LOCATIONS)

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. **We** will pay for direct physical loss to **covered property** caused by **flood** at or within the states and locations shown on the Schedule of this endorsement.

All **flood** losses within a continuous seventy-two (72) hour period will be considered a single **occurrence**. The expiration of this policy will not reduce this seventy-two (72) hour period.

2. **Limit of Liability**

The following **limits of liability** do not increase any other applicable **limit of liability**.

- A. The most **we** will pay for each **occurrence** of **flood** loss within a state or at a location shown on the Schedule of this endorsement will be the lesser of:

(1) The applicable **limit of liability** per **occurrence** shown on the Schedule of the DECLARATIONS; or

(2) For **new locations** or **unscheduled locations**, the applicable sublimit of liability per **occurrence** as shown in 5. Optional Extensions of Coverage - Sublimits of Liability of the DECLARATIONS.

(3) The applicable **limit of liability** per **occurrence** shown for that particular state or location shown on the Schedule of this endorsement.

- B. The most **we** will pay for all **flood** losses during any policy year is \$_____.

3. **Deductible**

- A. **We** will not pay for a **flood** loss until the loss exceeds the applicable flat amount deductible or percentage deductible shown for that particular state or location shown on the Schedule of this endorsement. **We** will then pay the amount of loss in excess of the applicable deductible, up to the applicable **limit of liability**.

- B. The percentage deductible amount is determined by multiplying the percentage deductible factor for that particular state or location shown on the Schedule of this endorsement by the total insurable values for that particular state or location, including all values associated with any **business income** or **extra expense** coverage provided by this policy.

- C. When a **flood** loss is greater than the minimum and percentage deductible amounts, the greater of these amounts will apply.

- D. These deductibles do not apply to **covered property** in transit.

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FLOOD COVERAGE (SCHEDULED STATES OR LOCATIONS) (Continued)

4. When indicated with an (X), **flood** coverage provided under this endorsement does not apply to any of the following:

- () **A.** Any **covered property** situated in a Special Flood Hazard Area (SFHA), as defined by the Federal Emergency Management Agency (FEMA). SFHA includes Flood Zones, A, AO, AE, AH, A1-30, A99, AR, V, VE, and V1-30. (See Form RM1132 for a Schedule of known locations.)

We do not assume any responsibility to either provide or procure **flood coverage for property within a SFHA.**

- () **B.** Any **covered property** at a **covered location** situated in zone B or X shaded which is the area defined by the Federal Emergency Management agency (FEMA) as being subject to inundation by a one-hundred (100) to five-hundred (500) year **flood** event. (One-hundred (100) to five-hundred (500) year **flood** plain). (See Form RM1132 for a Schedule of known locations.)
- () **C.** Any other **covered property** at **covered locations** that are not in the areas defined by **4. A.** and **4. B.** of this endorsement and are shown below:

Location

5. Refer to the last page of this form for the Schedule of States and Locations covered by this policy.

FLOOD COVERAGE (SCHEDULED STATES OR LOCATIONS) (Continued)

Schedule of States and Locations

State or Location	Limit of Liability Per Occurrence	Limit of Liability in any one policy year	Flat Amount Deductible	Percentage Deductible Percent	Minimum
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Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INTERRUPTION OF SERVICES COVERAGE EXTENSION

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

- 1. We will pay for physical loss or damage to **covered property**, loss of **business income** and **extra expense** resulting from an interruption of the electrical, heating, air conditioning, refrigeration, telecommunication, steam, water, sewer or fuel service to a **covered location**, but only if the interruption of service results:**
 - A. From physical damage by a **peril insured against**;**
 - B. Away from a **covered location**;**
 - C. To the following, if marked with an "X", that directly supply service to the **covered location** and are either owned by a company with whom **you** have a contract to supply these services or are located within one (1) mile of the **covered location**:**
 - (1) () Any electrical generating plant, substation, power switching station, transformer, gas compressor station, telephone switching facility;**
 - (2) () Transmission and distribution lines, connections or supply pipes which furnish electricity, steam, gas, refrigeration, telecommunication, water or sewer to a **covered location** (other than overhead transmission and distribution lines);**
 - (3) () Overhead transmission and distribution lines.**
- 2. We will not pay for any direct physical loss or damage to **covered property**, loss of **business income** or **extra expense** due to any interruption of service from a satellite, regardless of cause.**
- 3. Conditions**

This extension applies only to the Coverages marked with an "X" in **B. Coverages of the DECLARATIONS, Form RM1000.**

4. Limit of Liability

We will not pay more than the applicable **limit of liability shown on the Schedule of this endorsement for any one (1) **occurrence** at the **covered locations**. This **limit of liability** does not increase and is not in addition to any other applicable **limit of liability**.**

INTERRUPTION OF SERVICES COVERAGE EXTENSION (Continued)

5. Waiting Period

- A. If an interruption of service waiting period is shown below, **we** will only pay for loss of **business income, extra expense** or for **perishable goods** if the interruption exceeds the applicable waiting period in **5. B.** below. Once the waiting period is met coverage will commence at the initial time of the interruption, and will be subject to any deductible shown in **6.** below.
- B. The following interruption of service waiting period(s) apply:

(1) All Coverages Except Equipment Breakdown

_____ Hours

(2) Equipment Breakdown

_____ Hours

6. Deductible

Unless shown on the Schedule of this endorsement the following deductible(s) will apply to any loss covered under this endorsement. No other deductible stated in this policy will apply to a loss covered under this endorsement.

A. Dollar Amount Deductible

- (1) **We** will not pay unless a loss covered under this endorsement exceeds \$_____. **We** will then pay only the amount of loss in excess of this deductible, up to the applicable **limit of liability**.
- (2) If a separate time deductible is shown below the foregoing dollar amount deductible does not apply to the loss of **business income** or **extra expense** portion of the loss covered under this endorsement, which will be subject to the following time deductible.

B. Time Deductible

- (1) **We** will not pay for loss of **business income** or **extra expense** until an interruption of service exceeds a time period of _____ immediately following the loss covered under this endorsement. **We** will then pay only the amount of loss in excess of this deductible, up to the **limit of liability** of this extension.
- (2) For a time deductible shown as days, each day consists of twenty-four (24) consecutive hours.

- C. If the interruption of service exceeds the waiting period and a deductible is shown above or on the Schedule of this endorsement, **we** will apply the largest of the applicable deductibles to the loss immediately following the loss covered under this endorsement, except that any deductible(s) indicated with an asterisk (*) on the Schedule of this endorsement will be applied in addition to the largest of any other applicable deductibles.

7. Refer to the last page of this endorsement for the Schedule of **covered location(s)** for which interruption of services coverage is provided by this policy.

INTERRUPTION OF SERVICES COVERAGE EXTENSION (Continued)

Schedule

Covered Location(s), Coverage(s) or Additional Deductibles	Limit of Liability or Deductible(s)
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A. Covered Locations

B. Coverages

C. Additional Deductibles

D. Other

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICES INTERRUPTION OF SERVICES COVERAGE EXTENSION

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

1. We will pay for ~~direct~~ physical loss or damage to **covered property**, loss of **business income** and **extra expense** resulting from an interruption of: the electrical, heating, air conditioning, refrigeration, telecommunication, steam, water, sewer or fuel service to a **covered location**, but only if the interruption of service results:

~~(a) Electrical power~~

~~(b) Heat~~

~~(c) Air conditioning~~

~~(d) Refrigeration~~

~~(e) Telephone~~

~~(f) Steam~~

~~(g) Water~~

~~(h) Sewer service~~

~~(i) Fuel~~

2. ~~We will pay only if the interruption results:~~

~~(a) A.~~ From physical damage by a **peril insured against**;

~~(b) B.~~ Away from a **covered location**; and,

~~(c) C.~~ To the following, if marked with an "X", that directly ~~supplies~~ supply service to ~~insured locations~~ the **covered location** and are either owned by a company with whom **you** have a contract to supply these services or are located within one (1) mile of the **covered location**:

(1) (<<FILLIN X OR SPACE>>) Any electrical generating plant, substation, power switching station, transformer, gas compressor station, telephone switching facility;

~~(<<FILLIN X OR SPACE>>) Your telephone, water, sewer, air conditioning or refrigeration utility or supplier; or,~~

(2) (<<FILLIN X OR SPACE>>) Transmission and distribution lines, connections or supply pipes which furnish electricity, steam, gas, refrigeration, ~~telephone~~ telecommunication, water or sewer to a **covered location**- (other than overhead transmission and distribution lines);

(3) (<<FILLIN X OR SPACE>>) Overhead transmission and distribution lines.

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SERVICES INTERRUPTION OF SERVICES COVERAGE EXTENSION (Continued)

~~3.~~ **2.** However, ~~we~~ **We** will not pay for any direct physical loss or damage to **covered property**, loss of **business income** or **extra expense** due to any interruption of service from a satellite, regardless of cause.

~~4.~~ **3.** Conditions

This extension applies only to the following Coverages marked with an "X" and only if those Coverages are also marked with an "X" in ~~2.~~ **B.** Coverages of the DECLARATIONS, Form RM1000:

~~((FILL IN X OR SPACE))~~ **Real Property;**

~~((FILL IN X OR SPACE))~~ **Personal Property;**

~~((FILL IN X OR SPACE))~~ **Loss of Business Income;**

~~((FILL IN X OR SPACE))~~ **Extra Expense;**

~~((FILL IN X OR SPACE))~~ **Other (Identify)** ~~((ENTER DESCRIPTION))~~.

~~5.~~ **4.** Limit of Liability

We will not pay more than \$~~((ENTER APPROPRIATE AMOUNT))~~ the applicable **limit of liability** shown on the Schedule of this endorsement for any one (1) **occurrence** at the **covered locations**. This **limit of liability** does not increase and is not in addition to any other applicable **limit of liability**.

~~6.~~ **5.** Waiting Period

~~We~~ will only pay for a **covered loss** to:

~~((FILL IN X OR SPACE))~~ **Loss of Business Income;**

~~((FILL IN X OR SPACE))~~ **Extra Expense;**

~~((FILL IN X OR SPACE))~~ **Other (Identify)** ~~((ENTER DESCRIPTION))~~.

~~incurred after the interruption of a service described in Item 1. exceeds ((ENTER NUMBER OF HOURS)) hours. If a dollar amount deductible is also specified in Item 7. then we will calculate the recoverable loss by applying the deductible(s) to the loss incurred after the waiting period ends.~~

A. If an interruption of service waiting period is shown below, **we** will only pay for loss of **business income, extra expense** or for **perishable goods** if the interruption exceeds the applicable waiting period in **5. B.** below. Once the waiting period is met coverage will commence at the initial time of the interruption, and will be subject to any deductible shown in **6.** below.

B. The following interruption of service waiting period(s) apply:

(1) All Coverages Except Equipment Breakdown

~~((ENTER NUMBER OF HOURS))~~ Hours

(2) Equipment Breakdown

~~((ENTER NUMBER OF HOURS))~~ Hours

SERVICES INTERRUPTION OF SERVICES COVERAGE EXTENSION (Continued)

7. 6. Deductible

The deductible(s) marked with an "X" will apply to any loss covered by this extension. No other deductible stated in this policy will apply to a loss covered by this extension.

~~((FILL IN X OR SPACE))~~ Dollar Amount Deductible

~~((FILL IN X OR SPACE))~~ Real Property;

~~((FILL IN X OR SPACE))~~ Personal Property;

~~((FILL IN X OR SPACE))~~ Loss of Business Income;

~~((FILL IN X OR SPACE))~~ Extra Expense;

~~((FILL IN X OR SPACE))~~ Other (Identify) ~~((DESCRIBE COVERAGE))~~.

\$~~((ENTER APPROPRIATE AMOUNT))~~ We will pay only when the amount of a covered loss is more than this amount. We will then pay only the amount of loss in excess of this deductible, up to the limit of liability of this extension.

Unless shown in the Schedule of this endorsement the following deductible(s) will apply to any loss covered under this endorsement. No other deductible stated in this policy will apply to a loss covered under this endorsement.

A. Dollar Amount Deductible

- (1) We will not pay unless a loss covered under this endorsement exceeds \$~~((ENTER DED))~~. We will then pay only the amount of loss in excess of this deductible, up to the applicable **limit of liability**.
- (2) If a separate time deductible is shown below the foregoing dollar amount deductible does not apply to the loss of **business income** or **extra expense** portion of the loss covered under this endorsement, which will be subject to the following time deductible.

B. Time Deductible

- (1) We will not pay for loss of **business income** or **extra expense** until an interruption of service exceeds a time period of ~~((ENTER # of HOURS and "hour(s)" following the numeric value OR # of DAYS and "day(s)" following the numeric value))~~ immediately following the loss covered under this endorsement. We will then pay only the amount of loss in excess of this deductible, up to the **limit of liability** of this extension.
- (2) For a time deductible shown as days, each day consists of twenty-four (24) consecutive hours.

- C. If the interruption of service exceeds the waiting period and a deductible is shown above or on the Schedule of this endorsement, we will apply the largest of the applicable deductibles to the loss immediately following the loss covered under this endorsement, except that any deductible(s) indicated with an asterisk (*) on the Schedule of this endorsement will be applied in addition to the largest of any other applicable deductibles.

7. Refer to the last page of this endorsement for the Schedule of **covered location(s)** for which interruption of services coverage is provided by this policy.

SERVICES INTERRUPTION OF SERVICES COVERAGE EXTENSION (Continued)

Schedule	
Covered Location(s), Coverage(s) or Additional Deductibles	Limit of Liability or Deductible(s)
A. Covered Locations	
<<ENTER ALL COVERED LOC(S) AND/OR SPECIFIC LOCATIONS>	<<ENTER LOL>>
B. Coverages	
<<ENTER COV >	<<ENTER LOL>>
C. Additional Deductibles	
<<ENTER DED TYPES>	<<ENTER DED>>
D. Other	
<<DESCRIBE OTHER THAN ABOVE>	<<ENTER LOL OR DED>>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001
CONDITIONS, Form RM1006

1. This extension applies only to the following Coverages marked with an "X", and only if those Coverages are also marked with an "X" in **B. Coverages of the DECLARATIONS, Form RM1000**:
 - () Loss of **Business Income**; or
 - () **Extra Expense**.
2. If marked with an "X", **we** will pay for **your** loss of **business income** or **extra expense** that results from direct physical loss or damage to property of the type covered by this policy at a location shown on the Schedule of this endorsement from a **peril insured against**, which at the time of the loss:
 - () **A.** Prevents a direct supplier of **yours** from delivering goods or materials to **you** or to **your** customers for **your** account;
 - () **B.** Prevents others who manufacture products for delivery to **your** customers on **your** behalf under a contract for sale from delivering products to **your** customers on **your** behalf; or
 - () **C.** Prevents **your** direct customers from accepting **your** product(s) or service(s).
3. **We** will only pay for **your** loss of **business income** or **extra expense** covered by this endorsement during the period of time that:
 - A.** Starts at the time of the direct physical loss or damage from a **peril insured against** to the property of the type covered by this policy at a location shown on the Schedule of this endorsement; and,
 - B.** Ends when using reasonable speed and due diligence the property of the type covered by this policy at a location shown on the Schedule of this endorsement could be:
 - (1) repaired or replaced; and
 - (2) made ready for operations;under the same or equivalent physical and operating conditions that existed prior to the damage by whichever individual(s) or entity(ies) may own (or otherwise be responsible for) the location shown on the Schedule of this endorsement.
4. **We** will not pay more than the applicable **limit of liability** shown on the Schedule of this endorsement.

CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION (Continued)

5. We will pay only when the amount of **your** loss of **business income** or **extra expense** is more than:

- A. \$_____ in any one (1) **occurrence** for loss or damage caused by or resulting from the perils of **earth movement, flood or wind** associated with a **named storm**; or
- B. \$_____ in any one (1) **occurrence** for loss or damage caused by or resulting from any other **peril insured against** other than those stated in **5. A.** of this endorsement.

We will then pay only the amount of loss in excess of this amount, up to the **limit of liability** shown on the Schedule of this endorsement.

If a loss under this endorsement involves both deductibles shown in **5. A.** and **5. B.**, in any one (1) **occurrence** above, we will only use the largest of the applicable deductibles unless otherwise provided in this policy or any endorsement.

6. The **limits of liability** shown on the Schedule of this endorsement do not increase and are not in addition to any other applicable **limit of liability**.
7. If marked with an "X", condition U. **1.** in Form RM1006 does not apply to a location(s) shown on the Schedule of this endorsement; and

We also do not provide coverage in any nation with which United States companies are not permitted to do business, or which are or become subject to trade sanctions by the government of the United States during the **policy period**.

Schedule

See Provision 7. of this endorsement	Location(s) Address	Type of Location (A. , B. or C.)	Limit of Liability
--	---------------------	--	--------------------

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001
CONDITIONS, Form RM1006

1. This extension applies only to the following Coverages marked with an "X", and only if those Coverages are also marked with an "X" in **2. B. Coverages of the DECLARATIONS, Form RM1000:**

(☐) **Loss of Business Income;** or;

(☐) **Extra Expense.**

2. If marked with an "X", we will pay for **your** loss of **business income** or **extra expense** that results from direct physical loss or damage to property of the type covered by this policy at a location shown on the Schedule of this endorsement from a **peril insured against**, which at the time of the loss:

(☐) **A.** Prevents a direct supplier of **yours** from delivering goods or materials to **you** or to **your** customers for **your** account;

(☐) **B.** Prevents others who manufacture products for delivery to **your** customers on **your** behalf under a contract for sale from delivering products to **your** customers on **your** behalf; or

(☐) **C.** Prevents **your** direct customers from accepting **your** product(s) or service(s).

3. We will only pay for **your** loss of **business income** or **extra expense** covered by this endorsement during the period of time that:

A. Starts at the time of the direct physical loss or damage from a **peril insured against** to the property of the type covered by this policy at a location shown on the Schedule of this endorsement; and,

B. Ends when using reasonable speed and due diligence the property of the type covered by this policy at a location shown on the Schedule of this endorsement could be:

(1) repaired or replaced; and

(2) made ready for operations;

under the same or equivalent physical and operating conditions that existed prior to the damage by whichever individual(s) or entit(ies) may own (or otherwise be responsible for) the location shown on the Schedule of this endorsement.

4. We will not pay more than the applicable **limit of liability** shown on the Schedule of this endorsement.

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CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION (Continued)

5. We will pay only when the amount of **your** loss of **business income** or **extra expense** is more than:

- A. \$<<ENTER DED or NOT APPLICABLE>> in any one (1) **occurrence** for loss or damage caused by or resulting from the perils of **earth movement, flood** or **wind** associated with a **named storm**; or
- B. \$<<ENTER DED>> in any one (1) **occurrence** for loss or damage caused by or resulting from any other **peril insured against** other than those stated in **5. A.** of this endorsement.

We will then pay only the amount of loss in excess of this amount, up to the **limit of liability** ~~contained in~~ **shown on** the Schedule of this endorsement.

If a loss under this endorsement involves both deductibles shown in **5. A.** and **5. B.**, in any one (1) **occurrence** above, we will only use the largest of the applicable deductibles unless otherwise provided in this policy or any endorsement.

6. The **limits of liability** shown on the Schedule of this endorsement do not increase ~~and are not in addition to~~ any other applicable **limit of liability**.

7. If marked with an "X", condition **A. 1.** in Form RM1006 does not apply to a location(s) shown ~~in~~ **on** the Schedule of this endorsement; and

We also do not provide coverage in any nation with which United States companies are not permitted to do business, or which are or become subject to trade sanctions by the government of the United States during the **policy period**.

Schedule

See Provision **7.** of this endorsement

<<FILL IN X OR SPACE>>

Location(s) Address

<<ENTER ADDRESS OF LOCATION>>

Type of Location (A., B. or C.)

<<ENTER LOCATION TYPE>>

Limit of Liability

<<ENTER APPROPRIATE AMOUNT>>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL DEDUCTIBLES AND WAITING PERIODS

This endorsement modifies insurance provided under the following:

DECLARATIONS, Form RM1000

The deductible and waiting period shown in **G.** Deductible and waiting periods of the DECLARATIONS, Form RM1000, is replaced for the coverages shown on the Schedule of this endorsement. The deductible and waiting period for those coverages are the deductible and waiting period shown on the Schedule of this endorsement. Deductibles and waiting periods for all other coverages remain unchanged.

If a **covered loss** involves two (2) or more deductibles, **we** will use the largest of the applicable deductibles.

However, a separate deductible amount or waiting period will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement if indicated by an asterisk (*) after the deductible amount or waiting period.

Schedule

Description of Coverage

Amount of Deductible and
Waiting Period

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL DEDUCTIBLES AND WAITING PERIODS

This endorsement modifies insurance provided under the following:

DECLARATIONS, Form RM1000

The deductible and waiting period shown in **7. G.** Deductible and waiting periods of the DECLARATIONS, Form RM1000, is replaced for the coverages shown on the Schedule of this endorsement. The deductible and waiting period for those coverages ~~is~~ **are** the deductible and waiting period shown on the Schedule of this endorsement. Deductibles and waiting periods for all other coverages remain unchanged.

If a **covered loss** involves two (2) or more deductibles, **we** will use the largest of the applicable deductibles.

However, a separate deductible amount or waiting period will apply to any **covered property**, loss of **business income**, **extra expense**, or any other coverage or peril listed on the Schedule of this endorsement if indicated by an asterisk (*) after the deductible amount or waiting period.

Schedule

Description of Coverage

Amount of Deductible and
Waiting Period

<<DESCRIBE COVERAGE>>

<<ENTER APPROPRIATE
AMOUNT>>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPLACEMENT COST EXTENSION PERSONAL PROPERTY OF OTHERS

This endorsement modifies insurance provided under the following:

VALUATIONS, Form RM1005

Item **2. (a) of A. Actual Cash Value** is replaced by the following:

- 1.** For **personal property of others** we will pay the lesser of **replacement cost** or the amount of **your** legal liability to the owner of the **personal property**.
- 2.** We will not pay **replacement cost** until the lost or damaged property is actually repaired or replaced. If repairs or replacement are not made within two (2) years after the date of the physical loss, **we** will pay only the **actual cash value**.

Our obligations for **replacement cost** will be the smaller of:

- (a)** The cost to repair the damaged property; or
- (b)** The cost to replace or rebuild with new materials of like size, kind and quality; or
- (c)** The selling price on the date of loss of property, other than stock, offered for sale, less all saved expenses; or
- (d)** The applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRITORIAL DEFINITION AMENDATORY

This endorsement modifies insurance provided under the following:

CONDITIONS, Form RM1006

Item **1.** of **U. Policy Period** and Territory is amended to read:

- 1.** Within the continental United States of America, Hawaii, Puerto Rico, and _____.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRITORIAL DEFINITION AMENDATORY

This endorsement modifies insurance provided under the following:

CONDITIONS, Form RM1006

Item 1. of ~~A.~~ **U. Policy Period** and Territory is amended to read:

1. Within the **continental** United States of America, **Hawaii**, Puerto Rico, and **<<FILLIN TERRITORY>>**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

STANDARD EXTENSIONS AMENDATORY

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, Form RM1002

The following Standard Extensions of Coverage are amended as shown below when marked with an "X":

Standard Extensions of Coverage

1. () Accounts Receivable

Our sublimit under **A. 1. a.** Accounts Receivable is increased from \$100,000 to \$_____.

2. () Arson Reward

Our sublimit under **A. 2.** Arson Reward is increased from \$25,000 to \$_____.

3. () Computer Virus and Denial of Access

Our sublimit under **A. 3.** Computer Virus and Denial of Access is increased from \$25,000 to \$_____.

4. () Debris Removal Expense

A. Our sublimit under **A. 4. b.** Debris Removal Expense is increased from \$250,000 to \$_____.

B. A. 4. c. Debris Removal Expense is deleted and replaced by the following:

c. We will pay up to \$_____ for expenses to remove from a **covered location**, windblown debris of property not covered by this policy.

5. () Deferred Payments

Our sublimit under **A. 5. a.** Deferred Payments is increased from \$25,000 to \$_____.

STANDARD EXTENSIONS AMENDATORY (Continued)

6. () **Extended Period of Restoration**

A. 7. a. Extended **Period of Restoration** is amended to _____ days in lieu of sixty (60) days.

7. () **Fine Arts**

Our sublimit under **A. 9. Fine Arts** is increased from \$100,000 to \$_____.

8. () **Fungus Cleanup Expense**

Our sublimit under **A. 10. b. Fungus Cleanup Expense** is increased from \$250,000 to \$_____.

9. () **Installation of Personal Property or Personal Property of Others**

Our sublimit under **A. 11. Installation of Personal Property or Personal Property of Others** is increased from \$250,000 to \$_____.

10. () **Lock and Key Replacement**

Our sublimit under **A. 12. b. Lock and Key Replacement** is increased from \$25,000 to \$_____.

11. () **Plants, Trees or Shrubs**

Our sublimit under **A. 14. Plants, Trees or Shrubs** is increased from \$100,000 to \$_____.

12. () **Pollution Cleanup Expense**

A. Our annual aggregate **limit of liability** under **A. 15. b. Pollution Cleanup Expense** is increased from \$25,000 to \$_____.

B. Our annual aggregate **limit of liability** under **A. 15. c. Pollution Cleanup Expense** is increased from \$25,000 to \$_____.

13. () **Professional Fees**

Our sublimit under **A. 16. a. Professional Fees** is increased from \$25,000 to \$_____.

14. () **Removal**

A. 17. b. (1) Removal is deleted and replaced by the following:

(1) For up to _____ days at each place to which the property has been taken for preservation;

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

STANDARD EXTENSIONS AMENDATORY

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, Form RM1002

The following Standard Extensions of Coverage are amended as shown below when marked with an "X":

Standard Extensions of Coverage

1. (<<FILLIN X OR SPACE>>) Accounts Receivable

Our sublimit under **A. 1. a.** Accounts Receivable is increased from \$100,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

2. (<<FILLIN X OR SPACE>>) Arson Reward

Our sublimit under **A. 2.** Arson Reward is increased from \$25,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

3. (<<FILLIN X OR SPACE>>) Computer Virus and Denial of Access

Our sublimit under **A. 3.** Computer Virus and Denial of Access is increased from \$25,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

4. (<<FILLIN X OR SPACE>>) Debris Removal Expense

A. Our sublimit under **A. 4. b.** Debris Removal Expense is increased from \$250,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

B. ~~Item A. 5. (e)~~ 4. c. Debris Removal Expense is deleted and replaced by the following:

(e) c. We will pay up to \$<<ENTER APPROPRIATE AMOUNT>> for expenses to remove from a **covered location**, windblown debris of property not covered by this policy.

5. (<<FILLIN X OR SPACE>>) Deferred Payments

Our sublimit under **A. 5. a.** Deferred payments is increased from \$25,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

STANDARD EXTENSIONS AMENDATORY (Continued)

6. (<<FILLIN X OR SPACE>>) Extended **Period of Restoration**

~~Item A. 9.~~ **7. a.** Extended **Period of Restoration** is amended to <<ENTER NUMBER OF DAYS>> days in lieu of sixty (60) days.

7. (<<FILLIN X OR SPACE>>) **Fine Arts**

Our sublimit under **A. 9. Fine Arts** is increased from \$100,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

8. (<<FILLIN X OR SPACE>>) **Fungus Cleanup Expense**

Our sublimit under ~~Item A. 10. (a)~~ **b. Fungus Cleanup Expense** is increased from \$100,000 **250,000** to \$<<ENTER APPROPRIATE AMOUNT>>.

9. (<<FILLIN X OR SPACE>>) Installation of **Personal Property** or **Personal Property of Others**

Our sublimit under **A. 11. Installation of Personal Property** or **Personal Property of Others** is increased from \$250,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

10. (<<FILLIN X OR SPACE>>) **Lock and Key Replacement**

Our sublimit under **A. 12. b. Lock and Key Replacement** is increased from \$25,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

11. (<<FILLIN X OR SPACE>>) **Plants, Trees or Shrubs**

Our sublimit under ~~Item A. 3.~~ **14. Plants, Trees or Shrubs** is increased from \$100,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

12. (<<FILLIN X OR SPACE>>) **Pollution Cleanup Expense**

A. Our annual aggregate **limit of liability** under ~~Item A. 6. (b) and (c)~~ **A. 15. b. Pollution Cleanup Expense** is increased from \$25,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

B. Our annual aggregate **limit of liability** under **A. 15. c. Pollution Cleanup Expense** is increased from \$25,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

13. (<<FILLIN X OR SPACE>>) **Professional Fees**

Our sublimit under ~~Item A. 4. (a)~~ **16. a.** Professional Fees is increased from \$25,000 to \$<<ENTER APPROPRIATE AMOUNT>>.

14. (<<FILLIN X OR SPACE>>) **Removal**

~~Item A. 7. (a)~~ **17. b. (1)** Removal is deleted and replaced by the following:

~~(a)~~ **(1)** For up to <<ENTER NUMBER OF DAYS>> days at each place to which the property has been taken for preservation;

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOOD PRODUCT RECALL AND TAINTED FOOD PRODUCT EXTENSION

1. Coverages

A. FOOD PRODUCT RECALL EXPENSE

- (1) **We** will pay for the cost of recalling and disposing of **your** contaminated food products from locations not owned or operated by **you**, as long as the contamination occurs prior to the point of first sale. **We** will pay regardless of the cause of the contamination. However, **we** will not pay to recall any food products that were incorrectly labeled or packaged; or that were scheduled for removal due to normal stock rotation, shelf life, perishability, or freshness.
- (2) **We** will not pay for the product itself.
- (3) **We** will not pay for actual loss of **business income** or **extra expense** that **you** sustain, or that **your** customers sustain.

B. TAINTED FOOD PRODUCT

- (1) Items 7. (f) and 8. of **GROUP B** EXCLUSIONS, Form RM1003 are amended as follows:

We will pay for direct physical damage to food products while stored at **covered locations** resulting from the following additional perils:

- (a) Animals, birds, vermin, rodents, or insects; or,
 - (b) **Fungus**, bacteria, wet or dry rot, decay.
- (2) **We** will only pay under this extension if a government entity declares the food products unfit for intended consumption.

2. Limit of Liability

We will share losses payable under these extensions as follows:

- A. **We** will pay 80% of losses up to a sublimit of \$_____ in any one (1) **occurrence**. However, **we** will not pay more than \$_____ in any one (1) policy year.
- B. **You** will pay 20% of these losses.
- C. Once **our** \$_____ sublimit in any one (1) policy year is exhausted, **you** will pay 100% of any further losses.
- D. No deductible applies to these extensions of coverage.
- E. The sublimit of liability shown in this endorsement does not increase any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOOD PRODUCT RECALL AND TAINTED FOOD PRODUCT EXTENSION

1. Coverages

A. FOOD PRODUCT RECALL EXPENSE

- (1) **We** will pay for the cost of recalling and disposing of **your** contaminated food products from locations not owned or operated by **you**, as long as the contamination occurs prior to the point of first sale. **We** will pay regardless of the cause of the contamination. However, **we** will not pay to recall any food products that were incorrectly labeled or packaged; or that were scheduled for removal due to normal stock rotation, shelf life, perishability, or freshness.
- (2) **We** will not pay for the product itself.
- (3) **We** will not pay for actual loss of **business income** or **extra expense** that **you** sustain, or that **your** customers sustain.

B. TAINTED FOOD PRODUCT

- (1) Item **A. 4.** of **GROUP A EXCLUSIONS** and Item **B. 7. f.** of **GROUP B EXCLUSIONS**, Form RM1003, are amended as follows:

We will pay for direct physical damage to food products while stored at **covered locations** resulting from the following additional perils:

- a. Animals, birds, vermin, rodents, or insects; or,
- b. **Fungus**, bacteria, wet or dry rot, decay.

- (2) **We** will only pay under this extension if a government entity declares the food products unfit for intended consumption.

2. Limit of Liability

- A. For all losses covered under these extensions, **we** will pay up to a sublimit of \$_____ in any one (1) **occurrence**. However, **we** will not pay more than \$_____ in any one (1) policy year.
- B. The sublimit of liability shown in this endorsement does not increase and is not in addition to any other applicable **limit of liability**.

3. Deductible

We will not pay under this extension unless a loss from any one (1) **occurrence** exceeds \$_____. **We** will then pay for the excess, up to the applicable sublimit of liability.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOOD PRODUCT RECALL AND TAINTED FOOD PRODUCT EXTENSION

1. Coverages

A. FOOD PRODUCT RECALL EXPENSE

- (1) **We** will pay for the cost of recalling and disposing of **your** contaminated food products from locations not owned or operated by **you**, as long as the contamination occurs prior to the point of first sale. **We** will pay regardless of the cause of the contamination. However, **we** will not pay to recall any food products that were incorrectly labeled or packaged; or that were scheduled for removal due to normal stock rotation, shelf life, perishability, or freshness.
- (2) **We** will not pay for the product itself.
- (3) **We** will not pay for actual loss of **business income** or **extra expense** that **you** sustain, or that **your** customers sustain.

B. TAINTED FOOD PRODUCT

- (1) Item A. 4. of **GROUP A EXCLUSIONS** and Items B. 7. ~~(f)~~ and 8. of **GROUP B EXCLUSIONS**, Form RM1003, are amended as follows:

We will pay for direct physical damage to food products while stored at **covered locations** resulting from the following additional perils:

- ~~(a)~~ **a.** Animals, birds, vermin, rodents, or insects; or,
- ~~(b)~~ **b.** Fungus, bacteria, wet or dry rot, decay.

- (2) **We** will only pay under this extension if a government entity declares the food products unfit for intended consumption.

2. Limit of Liability

- A. For all losses covered under these extensions, **we** will pay up to a sublimit of \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) **occurrence**. However, **we** will not pay more than \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) policy year.
- B. The sublimit of liability shown in this endorsement does not increase and is not in addition to any other applicable **limit of liability**.

3. Deductible

We will not pay under this extension unless a loss from any one (1) **occurrence** exceeds \$<<ENTER APPROPRIATE AMOUNT>>. **We** will then pay for the excess, up to the applicable sublimit of liability.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPOILAGE OF PERISHABLE GOODS WHILE IN TRANSIT EXTENSION

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, Form RM1002

1. **We** will pay up to a sublimit of liability of \$_____ in any one (1) **occurrence**, for spoilage of **perishable goods** while those goods are in **transit**.
2. **We** will only pay if losses result from **perils insured against**, or mechanical breakdown or malfunction of heating or cooling equipment.
3. **We** will not pay for:
 - A. **Your** actual loss of **business income** or **extra expense**;
 - B. Loss or damage caused by mechanical breakdown or malfunction that results from failure to maintain adequate fuel levels for the heating or cooling equipment.
4. This extension of coverage is subject to the policy deductible.
5. The sublimit of liability shown in this endorsement does not increase and is not in addition to any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPOILAGE OF PERISHABLE GOODS WHILE IN TRANSIT EXTENSION

1. We will pay up to a sublimit of liability of \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) **occurrence**, ~~subject to an aggregate sublimit of \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) policy year~~ for spoilage of ~~food products~~ **perishable goods** while those ~~products~~ goods are in ~~transit~~ **transit**.
2. We will only pay if losses result from **perils insured against**, or mechanical breakdown or malfunction of heating or cooling equipment.
3. ~~This extension of coverage is subject to the policy deductible.~~ We will not pay for:
 - A. Your actual loss of **business income** or **extra expense**;
 - B. Loss or damage caused by mechanical breakdown or malfunction that results from failure to maintain adequate fuel levels for the heating or cooling equipment.
4. ~~We will not pay for actual loss of business income or extra expense.~~ This extension of coverage is subject to the policy deductible.
5. The sublimit of liability shown in this endorsement does not increase ~~and is not in addition to~~ any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRINTERS AND PUBLISHERS RECALL EXTENSION

1. Coverage

Printers and Publishers Recall Expense

- A. We** will pay for the reasonable costs of recalling and disposing of incorrectly printed documents from **your** original customers.
- B. We** will not pay to correct the recalled documents.
- C. We** will not pay for actual loss of **business income** or **extra expense** that **you** sustain, or that **your** original customers sustain.

2. Limit of liability

We will share losses payable under this extension as follows:

- A. We** will pay 80% of losses up to a sublimit of \$_____ in any one (1) **occurrence**. However, **we** will not pay more than \$_____ in any one (1) policy year.
- B. You** will pay 20% of these losses.
- C. Once our** \$_____ sublimit in any one (1) policy year is exhausted, **you** will pay 100% of any further losses.
- D. No deductible** applies to this extension of coverage.
- E. The sublimit of liability** shown in this endorsement does not increase any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMIT OF LIABILITY AMENDATORY – SPECIFIED LOCATIONS AND COVERAGE

This endorsement modifies insurance provided under the following:

DECLARATIONS, Form RM1000

1. Item **C. Limits of Liability** on DECLARATIONS, Form RM1000, is deleted and replaced as follows:

C. Limits of Liability

We will not pay more than the lesser of the following:

1. The applicable **limit of liability** at a location if shown on the Schedule of the DECLARATIONS, Form RM1000; or
 2. _____ of each value as reported, by location, on the signed statement of values that **you** provide to **us** for any one (1) **occurrence** covered by this policy; or
 3. The applicable **limit of liability** for any one (1) **occurrence** covered by this policy if a blanket **limit of liability** is shown on the Schedule of the DECLARATIONS, Form RM1000.
2. If an item is marked with an "X" below this provision applies to this endorsement:

This endorsement only applies to a **covered loss** to the following property if marked with an "X":

- ☐ **Real Property**
- ☐ **Personal Property**
- ☐ **Loss of Business Income**
- ☐ **Extra Expense**
- ☐ Other: _____

3. This endorsement does not increase and is not in addition to any other applicable **limit of liability** or sublimit of liability provided by this policy.
4. This endorsement does not apply to locations or property shown on the Schedule of this endorsement:

Schedule

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMIT OF LIABILITY AMENDATORY – SPECIFIED LOCATIONS AND COVERAGE

This endorsement modifies insurance provided under the following:

DECLARATIONS, Form RM1000

1. Item ~~3.~~ **C. Limits of Liability** on DECLARATIONS, Form RM1000, is deleted and replaced as follows:

~~3.~~ **C. Limits of Liability**

We will not pay more than the lesser of the following:

~~1.A.~~ The applicable **limit of liability** at a location if shown on the Schedule of the DECLARATIONS, Form RM1000;
or

~~2.B.~~ <<100% (default) (Options are 105%, 110% 115%, 120% and 125%)>> of each value as reported, by location, on the signed statement of values that **you** provide to **us** for any one (1) **occurrence** covered by this policy;
or

~~3.C.~~ The applicable **limit of liability** for any one (1) **occurrence** covered by this policy if a blanket **limit of liability** is shown on the Schedule of the DECLARATIONS, Form RM1000.

2. If an item is marked with an "X" below this provision applies to this endorsement:

This endorsement only applies to a **covered loss** to the following property if marked with an "X":

- () **Real Property**
- () **Personal Property**
- () **Loss of Business Income**
- () **Extra Expense**
- () Other: <<Specify>>

3. This endorsement does not increase **and is not in addition to** any other applicable **limit of liability** or sublimit of liability provided by this policy.

4. This endorsement does not apply to locations or property shown ~~in~~ **on** the Schedule of this endorsement:

Schedule

<<ENTER DESCRIPTION OR NOT APPLICABLE >>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION
LEADER LOCATIONS**

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. This extension applies only to the following Coverages marked with an "X", and only if those Coverages are also marked with an "X" in **B**. Coverages of the DECLARATIONS, Form 1000:
 - () Loss of **Business Income**; or,
 - () **Extra Expense**.
2. If marked with an "X", **we** will pay for **your** loss of **business income** or **extra expense** that results from direct physical loss or damage from a **peril insured against** to property of the type covered by this policy at a *leader location*, during the period of time that:
 - A. Starts at the time of the direct physical loss or damage from a **peril insured against** to the property of the type covered by this policy at the *leader location*; and,
 - B. Ends when using reasonable speed and due diligence the property of the type covered by this policy at the *leader location* could be:
 - (1) repaired or replaced; and
 - (2) made ready for operations;under the same or equivalent physical and operating conditions that existed prior to the damage by whichever individual(s) or entit(ies) may own (or otherwise be responsible for) the *leader location*.
3. As used in this endorsement, the italicized term *leader location* means a location shown on the Schedule of this endorsement that:
 - A. Is operated by others; and
 - B. **You** depend on to attract customers to **your covered location**; and
 - C. Is located within one-thousand (1,000) feet of **your covered location**.
4. **We** will not pay more than the applicable **limit of liability** shown on the Schedule of this endorsement.

**CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION
LEADER LOCATIONS (Continued)**

5. We will pay only when the amount of **your** loss of **business income** or **extra expense** is more than:

- A. \$_____ in any one (1) **occurrence** for loss or damage caused by or resulting from the perils of **earth movement, flood or wind** associated with a **named storm**; or
- B. \$_____ in any one (1) **occurrence** for loss or damage caused by or resulting from any other **peril insured against** other than those stated in **5. A.** of this endorsement.

We will then pay only the amount of loss in excess of this amount, up to the **limit of liability** shown on the Schedule of this endorsement.

If a loss under this endorsement involves both deductibles shown in **5. A.** and **5. B.**, in any one (1) **occurrence** above, we will only use the largest of the applicable deductibles unless otherwise provided in this policy or any endorsement.

6. The **limits of liability** shown on the Schedule of this endorsement do not increase and are not in addition to any other applicable **limit of liability**.

Schedule

Location(s) Address

Limit of Liability

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION
LEADER LOCATIONS**

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. This extension applies only to the following Coverages marked with an "X", and only if those Coverages are also marked with an "X" in **2 B. Coverages of the DECLARATIONS, Form RM1000:**

(~~<<FILLIN X OR SPACE>>~~) Loss of **Business Income**; or,

(~~<<FILLIN X OR SPACE>>~~) **Extra Expense**.

2. If marked with an "X", **we** will pay for **your** loss of **business income** or **extra expense** that results from direct physical loss or damage from a **peril insured against** to property of the type covered by this policy at a *leader location*, during the period of time that:

- A. Starts at the time of the direct physical loss or damage from a **peril insured against** to the property of the type covered by this policy at the *leader location*; and,
- B. Ends when using reasonable speed and due diligence the property of the type covered by this policy at the *leader location* could be:

(1) repaired or replaced; and

(2) made ready for operations;

under the same or equivalent physical and operating conditions that existed prior to the damage by whichever individual(s) or entit(ies) may own (or otherwise be responsible for) the *leader location*.

3. As used in this endorsement, the italicized term *leader location* means a location shown on the Schedule of this endorsement that:

A. Is operated by others; and

B. **You** depend on to attract customers to **your covered location**; and

C. Is located within one-thousand (1,000) feet of **your covered location**.

4. **We** will not pay more than the applicable **limit of liability** shown on the Schedule of this endorsement.

**CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION
LEADER LOCATIONS (Continued)**

5. We will pay only when the amount of **your** loss of **business income** or **extra expense** is more than:

- A. \$<<ENTER DED or NOT APPLICABLE>> in any one (1) **occurrence** for loss or damage caused by or resulting from the perils of **earth movement, flood** or **wind** associated with a **named storm**; or
- B. \$<<ENTER DED>> in any one (1) **occurrence** for loss or damage caused by or resulting from any other **peril insured against** other than those stated in **5. A.** of this endorsement.

We will then pay only the amount of loss in excess of this amount, up to the **limit of liability** ~~contained in~~ shown on the Schedule of this endorsement.

If a loss under this endorsement involves both deductibles shown in **5. A.** and **5. B.**, in any one (1) **occurrence** above, **we** will only use the largest of the applicable deductibles unless otherwise provided in this policy or any endorsement.

6. The **limits of liability** shown on the Schedule of this endorsement do not increase ~~and are not in addition to~~ any other applicable **limit of liability**.

Schedule

Location(s) Address

<<ENTER LOCATION>>

Limit of Liability

<<ENTER APPROPRIATE AMOUNT>>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACT PENALTIES EXTENSION

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

The following provision modifies **C. 8. b. (2)** on COVERAGES, Form RM1001:

Contract Penalties

1. **We** will pay up to a **limit of liability** of \$_____ in any one (1) **policy period** for penalties **you** incur if **you** are unable to deliver **your** product to customers due to a loss to **covered property** at a **covered location** resulting from a **specified peril**.
2. **We** will only pay if **you** are found to be legally liable for the penalties under the terms of a written contract between **you** and a customer.
3. **We** are not obligated to defend **you**, and **we** will not pay any expenses **you** incur in any legal proceedings related to such penalties.
4. This extension of coverage is subject to the policy deductible.
5. The **limit of liability** shown under this extension of coverage does not increase and is not in addition to any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LENDER'S LOSS PAYABLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONDITIONS, Form RM1006

1. In the event of a **covered loss** to property in which both **you** and any lender's loss payee(s) shown on the Schedule of this endorsement have an insurable interest **we** will:
 - A. Adjust the **covered loss** with **you**; and
 - B. Make payment for the **covered loss** to **you** and any such lender's loss payee(s) as their interest(s) may appear.
2. If **we** deny **your** claim because of **your** acts or because **you** have failed to comply with the terms of this policy, the lender's loss payee will still have the right to receive loss payment for a **covered loss**, up to the amount of their insurable interest, but in no event more than the applicable **limit of liability**, if the lender's loss payee:
 - A. Pays any premium due under this policy at **our** request;
 - B. Submits a signed, sworn proof of loss within sixty (60) days after receiving notice from **us** of **your** failure to do so;
 - C. Has notified **us** of any change in ownership, occupancy or substantial change in risk known to the lender's loss payee; and
 - D. Complies with all of the terms and conditions of this policy.
3. If **we** pay the lender's loss payee for any **covered loss** and deny payment to **you** because **you** have failed to comply with the terms of this policy:
 - A. The lender's loss payee's rights will be transferred to **us** to the extent of the amount **we** pay; and
 - B. The lender's loss payee's right to recover the full amount of the lender's loss payee's claim will not be impaired.

In the event of a **covered loss we** may, at **our** option, pay the lender's loss payee the whole principal on **your** debt plus any accrued interest. In that event, **you** will pay **your** remaining debt to **us**.
4. If **we** cancel or nonrenew this policy, **we** will give the lender's loss payee(s) the same notice **we** give **you**.

LENDER'S LOSS PAYABLE ENDORSEMENT (Continued)

Schedule of Lender's Loss Payees

Location	Description of Property	Name and Address of Lender's Loss Payee
----------	-------------------------	--

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. If coverage for Equipment Breakdown is provided as shown in **B**, Coverages of the DECLARATIONS, Form RM1000, **we** will pay up to the sublimit of liability shown for each of the extensions described below.

These extensions of coverage do not increase the **limit of liability** under this coverage.

A. Expediting Expenses Coverage

We will pay up to a sublimit of \$_____ for the reasonable extra costs of temporary repair to property or of expediting the permanent repair or replacement of the property, whichever is less. Expenses **we** will cover include overtime wages and extra costs for rapid means of transportation.

We will not cover expenses for temporary rental of property or temporary replacement of damaged property under this extension of coverage. **We** will pay only for expediting expenses caused by an **accident** to an **object**.

B. Hazardous Substances Coverage

We will pay up to a sublimit of \$_____ for **extra expenses** to clean up, repair, replace or dispose of property that is damaged, contaminated or polluted by a *hazardous substance*. The damage, contamination or **pollution** must result from an **accident** to an **object**.

As used here, **extra expenses** will mean expenses incurred beyond those for which **we** would have been liable if no *hazardous substance* had been involved.

C. Perishable Goods Coverage

(1) **We** will pay up to a sublimit of \$_____ for:

- a. physical damage to **perishable goods** due to spoilage;
- b. physical damage to **perishable goods** due to contamination from the release of refrigerant, including but not limited to ammonia;
- c. any necessary expenses **you** incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE (Continued)

(2) If **you** are unable to replace the **perishable goods** before its anticipated sale, the amount of **our** payment will be determined on the basis of the sales price of the **perishable goods** at the time of the **accident**, less discounts and expenses **you** otherwise would have had. Otherwise **our** payment will be determined in accordance with the valuations endorsement.

(3) As used here, **covered property** does not include animals.

D. Data Restoration

We will pay up to a sublimit of \$_____ for **your** reasonable and necessary cost to research, replace and restore lost **data**.

2. If coverage for Equipment Breakdown is provided as shown in **B**. Coverages of the DECLARATIONS, Form RM1000, the coverage provided by this policy is extended as follows:

A. Water Damage Coverage

We will pay for loss to property, including the cost of salvage, caused by water, if such damage results from an **accident** to an **object**.

B. CFC Refrigerants

We will pay for the additional cost to repair or replace **covered property** because of the use or presence of a refrigerant containing CFC (chlorinated fluorocarbon) substances. This means the **extra expense** to do the least expensive of the following:

- (1) Repair the damaged property and replace any lost CFC refrigerant;
- (2) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
- (3) Replace the system with one (1) using a non-CFC refrigerant.

Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

We will also pay for the additional loss as described in loss of **business income** and **extra expense** coverages caused by such loss, if these coverages are indicated in the DECLARATIONS, Form RM1000.

3. For the purpose of this endorsement the italicized term *hazardous substance* means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. If coverage for Equipment Breakdown is provided as shown in **2. B.** Coverages of the DECLARATIONS, Form RM1000, we will pay up to the sublimit of liability shown for each of the extensions described below.

These extensions of coverage do not increase the **limit of liability** under this coverage.

A. Expediting Expenses Coverage

We will pay up to a sublimit of \$<<ENTER APPROPRIATE AMOUNT>> for the reasonable extra costs of temporary repair to property or of expediting the permanent repair or replacement of the property, whichever is less. Expenses we will cover include overtime wages and extra costs for rapid means of transportation.

We will not cover expenses for temporary rental of property or temporary replacement of damaged property under this extension of coverage. We will pay only for expediting expenses caused by an **accident** to an **object**.

B. ~~Hazardous Substances~~ Hazardous Substances Coverage

We will pay up to a sublimit of \$<<ENTER APPROPRIATE AMOUNT>> for **extra expenses** to clean up, repair, replace or dispose of property that is damaged, contaminated or polluted by a ~~hazardous substance~~ *hazardous substance*. The damage, contamination or **pollution** must result from an **accident** to an **object**.

As used here, **extra expenses** will mean expenses incurred beyond those for which we would have been liable if no ~~hazardous substance~~ *hazardous substance* had been involved.

C. Perishable Goods Coverage

(1) We will pay up to a sublimit of \$<<ENTER APPROPRIATE AMOUNT>> for:

- a. physical damage to **perishable goods** due to spoilage;
- b. physical damage to **perishable goods** due to contamination from the release of refrigerant, including but not limited to ammonia;
- c. any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE (Continued)

(2) If **you** are unable to replace the **perishable goods** before its anticipated sale, the amount of **our** payment will be determined on the basis of the sales price of the **perishable goods** at the time of the **accident**, less discounts and expenses **you** otherwise would have had. Otherwise **our** payment will be determined in accordance with the valuations endorsement.

(3) As used here, **covered property** does not include animals.

D. Data Restoration

We will pay up to a sublimit of \$<<ENTER APPROPRIATE AMOUNT>> for **your** reasonable and necessary cost to research, replace and restore lost **data**.

2. If coverage for Equipment Breakdown is provided as shown in **2. B. Coverages of the DECLARATIONS, Form RM1000**, the coverage provided by this policy is extended as follows:

A. Water Damage Coverage

We will pay for loss to property, including the cost of salvage, caused by water, if such damage results from an **accident** to an **object**.

B. CFC Refrigerants

We will pay for the additional cost to repair or replace **covered property** because of the use or presence of a refrigerant containing CFC (chlorinated fluorocarbon) substances. This means the **extra expense** to do the least expensive of the following:

- (1) Repair the damaged property and replace any lost CFC refrigerant;
- (2) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
- (3) Replace the system with one (1) using a non-CFC refrigerant.

Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

We will also pay for the additional loss as described in loss of **business income** and **extra expense** coverages caused by such loss, if these coverages are indicated in the DECLARATIONS, **Form RM1000**.

3. For the purpose of this endorsement the following additional definitions are added: **italicized term A. Hazardous Substance** *hazardous substance* means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.

B. Perishable goods means any **covered property** subject to deterioration or impairment as a result of a change in conditions including but not limited to temperature, humidity or pressure.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE AMENDATORY

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. This section applies only to the following Coverages marked with an "X" and only if those Coverages are also marked with an "X" in CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION, Form RM1112:

() Loss of **Business Income**; or

() **Extra Expense**.

A. We will not pay more for **your** contingent loss of **business income** and **extra expense** (see Form RM1112) than a **limit of liability** of \$ _____ for the items marked with an "X" above in any one (1) **accident** caused by an **accident** to a covered **object**.

B. This **limit of liability** does not increase any other applicable **limit of liability**.

2. If marked with an "X" and a **covered loss** is the result of an **accident** to a covered **object**, the following sublimits replace the sublimits of liability shown for the Optional Extensions of Coverage – Sublimits of Liability in **E. 4.** of the DECLARATIONS, Form RM1000:

() A. \$ _____ Course of Construction;

() B. \$ _____ Demolition Cost;

() C. \$ _____ Increased Construction Cost;

() D. \$ _____ Operation of Building Laws;

() E. \$ _____ at each **miscellaneous location**;

() F. \$ _____ at each **new location**, for up to _____ days from the date such **new location(s)** is first purchased or rented, whichever is earlier;

() G. \$ _____ at each **unscheduled location**.

The sublimits or amounts payable under these optional extensions of coverage will not increase and are not in addition to any other applicable **limit of liability**.

EQUIPMENT BREAKDOWN COVERAGE AMENDATORY (Continued)

3. If marked with an "X" the following items are not included as **objects**:

- () **A.** Dies, molds or patterns.
- () **B.** Dies and molds.
- () **C.** Conveyors, cranes or hoists.
- () **D.** *Production Machinery*. For the purpose of this endorsement the italicized term *production machinery* means any production or process machine or apparatus that processes, forms, cuts, shapes, grinds or conveys raw materials, materials in process or finished products.
- () **E.** Equipment used exclusively for testing or experimental purposes.
- () **F.** Electrical apparatus forming part of:
 - (1) The electrical connection between the secondary terminal of any power supply, including but not limited to transformers, solid state rectifiers and motor/generator sets, and the furnace which it supplies; and
 - (2) The furnace itself.
- () **G.** Ovens, stoves, furnaces, incinerators, pots or kilns, including all associated equipment mounted on or used solely with ovens, stoves, furnaces, incinerators, pots or kilns.
- () **H.** Ovens, stoves, furnaces, incinerators, pots or kilns, excluding all associated equipment mounted on or used solely with ovens, stoves, furnaces, incinerators, pots or kilns.
- () **I.** The following hospital equipment:
 - (1) Any x-ray machine, electron microscope, particle accelerator beta gauge or spectrograph; or
 - (2) Any machine, vessel or apparatus used exclusively for testing, experimental, research, diagnostic, therapeutic, surgical, dental or pathological purposes.
- () **J.** Other: _____

4. If marked with an "X" the following additional exclusions apply to an **accident** to an **object**:

- () **A.** **We** will not pay for any increase in loss resulting from the enforcement of any contract between **you** and **your** customer or supplier. This includes but is not limited to penalties and late fees.
- () **B.** If marked with an "X" **we** will not pay for any loss of **business income** or **extra expense** incurred by **you** as the result of:
 - () An **accident** to *power generating equipment*.
 - () An **accident** to *power generating equipment* arising from conditions or terms of a contractual agreement of the type listed below:
 - (1) Penalties or deductions from payment contractually required due to lack of availability of generating capacity;
 - (2) Bonuses or additional payments contractually withheld due to lack of availability of generating equipment;

EQUIPMENT BREAKDOWN COVERAGE AMENDATORY (Continued)

- (3) Change in rate payment due to lack of availability of generating capacity;
- (4) Loss of a contractual agreement due to lack of availability of generating capacity; and/or
- (5) Excess demand charges contractually required due to increased power usage.

For the purpose of this provision the italicized term *power generating equipment* means any pressure, mechanical or electrical equipment, machinery or apparatus used in, or associated with, the generation of electric power; but not excluding emergency *power generating equipment* less than or equal to one-thousand (1,000) kw.

5. If marked with an "X" the following valuation condition(s) applies to the **objects** shown below:

- () **A. We will pay you the actual cash value** for all Arc Furnace (AF)/Induction Furnace (IF) transformers with windings that are _____ years or older directly damaged by an **accident**. If damaged property can be restored by the replacement of any part or parts **we** will pay only the lesser of:

- (1) The reasonable cost of the restoration; or
- (2) The **actual cash value** of the damaged property.

The valuation of **covered property** will be as of the time and date of **accident**.

- () **B. We will pay you the actual cash value** for all **objects** shown on the Schedule below that are _____ years or older directly damaged by an **accident**. If damaged property can be restored by the replacement of any part or parts **we** will pay only the lesser of:

- (1) The reasonable cost of the restoration; or
- (2) The **actual cash value** of the damaged property.

The valuation of the **object(s)** will be as of the time and date of **accident**.

Schedule

Description of **Object**

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE AMENDATORY

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

~~1. If marked with an "X" the following additional extensions of coverage apply to equipment breakdown coverage:~~

~~((<<ENTER X OR SPACE>>)) A. Contingent Loss of **Business Income** and **Extra Expense** Coverage~~

~~(4) 1. This extension section applies only to the following Coverages marked with an "X" and only if those Coverages are also marked with an "X" in 2. Coverages of the DECLARATIONS, CONTINGENT LOSS OF BUSINESS INCOME OR EXTRA EXPENSE EXTENSION, Form RM1112:~~

~~((<<ENTER X OR SPACE>>)) Loss of **Business Income**; or~~

~~((<<ENTER X OR SPACE>>)) **Extra Expense**; or~~

~~((<<ENTER X OR SPACE>>)) Loss of **Business Income** and **Extra Expense**.~~

~~(2) We will pay for your loss of **Business Income** or **Extra Expense**:~~

~~a. Caused by an **accident** to an **object** which prevents a direct supplier from delivering goods or materials to you or to your customer for your account, and~~

~~b. Which results from an **accident** to an **object** of the type covered by this policy at a **covered location**.~~

~~(3) A. We will not pay more for your contingent loss of **business income** and **extra expense** (see Form RM1112) than a **limit of liability** of \$<<ENTER APPROPRIATE AMOUNT>> for the items marked with an "X" above in any one (1) **accident** caused by an **accident** to a covered **object**.~~

~~(4) B. These **This limits of liability** do **does** not increase any other applicable **limit of liability**.~~

~~((<<ENTER X OR SPACE>>)) B. If different than the sublimits of liability shown in item 5. D. of the DECLARATIONS the sublimits of liability shown below apply to the Optional Extensions of Coverage defined in EXTENSIONS OF COVERAGE, Form RM1002:~~

~~(1) \$<<ENTER APPROPRIATE AMOUNT>> at each **new location**, for up to <<ENTER NUMBER OF DAYS>> days from the date such **new location(s)** is first purchased, rented or occupied whichever is earlier;~~

~~(2) \$<<ENTER APPROPRIATE AMOUNT>> at each **unscheduled location**;~~

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EQUIPMENT BREAKDOWN COVERAGE AMENDATORY (Continued)

(3) \$<<ENTER APPROPRIATE AMOUNT>> ~~Demolition Cost, Operation of Building Laws and Increased Construction Cost.~~

2. If marked with an "X" and a **covered loss** is the result of an **accident** to an **object**, the following sublimits replace the sublimits of liability shown for the Optional Extensions of Coverage – Sublimits of Liability in E. 4. of the DECLARATIONS, Form RM1000:

- (<<ENTER X OR SPACE>>) A. \$<<ENTER LOL or See Form RM1000> Course of Construction;
- (<<ENTER X OR SPACE>>) A. \$<<ENTER LOL or See Form RM1000> Demolition Cost;
- (<<ENTER X OR SPACE>>) B. \$<<ENTER LOL or See Form RM1000> Increased Construction Cost;
- (<<ENTER X OR SPACE>>) C. \$<<ENTER LOL or See Form RM1000> Operation of Building Laws;
- (<<ENTER X OR SPACE>>) D. \$<<ENTER LOL or See Form RM1000> at each **miscellaneous location**;
- (<<ENTER X OR SPACE>>) E. \$<<ENTER LOL or See Form RM1000> at each **new location**, for up to
<< # OF DAYS or N/A>> days from the date such **new location(s)** is first purchased or
rented, whichever is earlier;
- (<<ENTER X OR SPACE>>) F. \$<<ENTER LOL or See Form RM1000> at each **unscheduled location**.

The sublimits or amounts payable under these optional extensions of coverage will not increase and are not in addition to any other applicable **limit of liability**.

2. 3. If marked with an "X" the following items are not included as **objects**:

- (<<ENTER X OR SPACE>>) A. Dies, molds or patterns.
- (<<ENTER X OR SPACE>>) B. Dies and molds.
- (<<ENTER X OR SPACE>>) C. Conveyors, cranes or hoists.
- (<<ENTER X OR SPACE>>) D. ~~Production Machinery.~~ ~~Production machinery~~ *Production Machinery*. For the purpose of this endorsement the italicized term *production machinery* means any production or process machine or apparatus that processes, forms, cuts, shapes, grinds or conveys raw materials, materials in process or finished products.
- (<<ENTER X OR SPACE>>) E. Equipment used exclusively for testing or experimental purposes.
- (<<ENTER X OR SPACE>>) F. Electrical apparatus forming part of:

(1) The electrical connection between the secondary terminal of any power supply, including but not limited to transformers, solid state rectifiers and motor/generator sets, and the furnace which it supplies; and

(2) The furnace itself.

(<<ENTER X OR SPACE>>) G. Ovens, stoves, furnaces, incinerators, pots or kilns, including all associated equipment mounted on or used solely with ovens, stoves, furnaces, incinerators, pots or kilns.

(<<ENTER X OR SPACE>>) H. Ovens, stoves, furnaces, incinerators, pots or kilns, excluding all associated equipment mounted on or used solely with ovens, stoves, furnaces, incinerators, pots or kilns.

EQUIPMENT BREAKDOWN COVERAGE AMENDATORY (Continued)

((<<ENTER X OR SPACE>>)) ~~H.~~ **I.** The following hospital equipment:

- (1) Any x-ray machine, electron microscope, particle accelerator beta gauge or spectrograph; or
- (2) Any machine, vessel or apparatus used exclusively for testing, experimental, research, diagnostic, therapeutic, surgical, dental or pathological purposes.

((<<ENTER X OR SPACE>>)) ~~I.~~ **J.** Other: <<ENTER ADDITIONAL OBJECTS TO BE EXCLUDED>>

3. **4.** If marked with an "X" the following additional exclusions apply to an **accident** to an **object**:

((<<ENTER X OR SPACE>>)) **A.** We will not pay for any increase in loss resulting from the enforcement of any contract between **you** and **your** customer or supplier. This includes but is not limited to penalties and late fees.

((<<ENTER X OR SPACE>>)) **B.** If marked with an "X" we will not pay for any loss of ~~B~~**business** ~~I~~**income** or ~~E~~**extra expense** incurred by **you** as the result of:

((<<ENTER X OR SPACE>>)) An **accident** to ~~power generating equipment~~ *power generating equipment*.

((<<ENTER X OR SPACE>>)) An **accident** to ~~power generating equipment~~ *power generating equipment* arising from conditions or terms of a contractual agreement of the type listed below:

- (1) Penalties or deductions from payment contractually required due to lack of availability of generating capacity;
- (2) Bonuses or additional payments contractually withheld due to lack of availability of generating equipment;
- (3) Change in rate payment due to lack of availability of generating capacity;
- (4) Loss of a contractual agreement due to lack of availability of generating capacity; and/or
- (5) Excess demand charges contractually required due to increased power usage.

For the purpose of this provision ~~power generating equipment~~ the italicized term *power generating equipment* means any pressure, mechanical or electrical equipment, machinery or apparatus used in, or associated with, the generation of electric power; but not excluding emergency ~~power generating equipment~~ *power generating equipment* less than or equal to one-thousand (1,000) kw.

4. **5.** If marked with an "X" the following valuation condition(s) applies to the **objects** shown below:

((<<ENTER X OR SPACE>>)) **A.** We will pay **you** the **actual cash value** for all Arc Furnace (AF)/Induction Furnace (IF) transformers with windings that are <<ENTER NUMBER OF YEARS IN TEXT AND NUMERIC VALUE or N/A>> years or older directly damaged by an **accident**. If damaged property can be restored by the replacement of any part or parts we will pay only the lesser of:

- (1) The reasonable cost of the restoration; or
- (2) The **actual cash value** of the damaged property.

The valuation of **covered property** will be as of the time and date of **accident**.

((<<ENTER X OR SPACE>>)) **B.** We will pay **you** the **actual cash value** for all **objects** shown ~~in~~ on the Schedule below that are <<ENTER NUMBER OF YEARS IN TEXT AND NUMERIC VALUE or N/A>> years or

EQUIPMENT BREAKDOWN COVERAGE AMENDATORY (Continued)

older directly damaged by an **accident**. If damaged property can be restored by the replacement of any part or parts **we** will pay only the lesser of:

- (1) The reasonable cost of the restoration; or
- (2) The **actual cash value** of the damaged property.

The valuation of ~~covered property~~ the **object(s)** will be as of the time and date of **accident**.

Schedule

Description of **Object**

<<ENTER DESCRIPTION OF OBJECT>>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN SERVICE INTERRUPTION

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

Off Premises Service Interruption

1. **We** will pay up to a sublimit of \$_____ for losses caused by or resulting from interruption of steam, gas, water, electricity or refrigeration service to **covered locations**.
2. **We** will pay only if the interruption results from or is caused by an **accident** to an **object** that is:
 - A. Owned by a company that has contracted to supply steam, gas, water, electricity, or refrigeration to the **covered location**; and,
 - B. Directly used to supply those services to the **covered location**.

We will not pay for any loss from an **accident** to an **object** caused by:

Flood;
Earthquake;
Fire;
Lightning;
Sprinkler leakage;
Windstorm;
Hail;
Aircraft;
Vehicles;
Smoke;
Explosion;
Civil authority;
Riot;
Civil commotion;
Vandalism; or,
Molten material.

3. **We** will not pay unless a covered equipment breakdown loss from any one (1) accident exceeds a waiting period of _____ hours and any deductible if indicated in **7. B. 1.** of the DECLARATIONS for loss of **Business Income** or **Extra Expense** or spoilage.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIBERALIZATION CONDITION

This endorsement modifies insurance provided under the following:

CONDITIONS, Form RM1006

The following condition is added to Form RM1006:

Liberalization

If, during the **policy period** or forty-five (45) days prior to the **policy period**, a filing of **ours** to a state insurance department would broaden this insurance without requiring any additional premium, then the terms and coverage of that filing will apply to **covered locations** and **covered property** within that state, effective on the dates specified within the filing.

Policy number

This endorsement is effective and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR EXCLUSION AMENDATORY

This endorsement modifies insurance provided under the following:

EXCLUSIONS, Form RM1003

GROUP A exclusion **7.** on Form RM1003 is deleted and replaced by the following:

7. Nuclear reaction or nuclear radiation, or radioactive contamination. If a loss to **covered property** by fire ensues, **we** will pay for that loss unless otherwise limited or excluded elsewhere in this policy, including any limits or exclusions applicable to terrorism.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THEFT LIMITATION

We will not pay more than \$ _____ in any one (1) **occurrence** for **covered loss** caused by or resulting from theft.

This **limit of liability** applies to **covered loss** to the following types of property:

Furs;

Jewelry;

Watches and watch movements;

Jewels;

Pearls;

Precious and semiprecious stones;

Bullion; or,

Any of these precious metals or precious alloys:

Aluminum	Gold	Niobium	Tantalum
Beryllium	Indium	Sodium	Tellurium
Bronze	Iridium	Palladium	Titanium
Cadmium	Magnesium	Platinum	Tungsten
Chromium	Manganese	Radium	Uranium
Cobalt	Mercury	Rhodium	Vanadium
Copper	Molybdenum	Ruthenium	Yttrium
Erbium	Nickel	Silver	

This **limit of liability** does not increase any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRINTERS AND PUBLISHERS RECALL EXTENSION

1. Coverage

Printers and Publishers Recall Expense

- A. We** will pay for the reasonable costs of recalling and disposing of incorrectly printed documents from **your** original customers.
- B. We** will not pay to correct the recalled documents.
- C. We** will not pay for actual loss of **business income** or **extra expense** that **you** sustain, or that **your** original customers sustain.

2. Limit of Liability

- A.** For all losses covered under this extension, **we** will pay up to a sublimit of \$_____ in any one (1) **occurrence**. However, **we** will not pay more than \$_____ in any one (1) policy year.
- B.** The sublimit of liability shown in this endorsement does not increase and is not in addition to any other applicable **limit of liability**.

3. Deductible

We will not pay under this extension unless a loss from any one (1) **occurrence** exceeds \$_____. **We** will then pay for the excess, up to the applicable sublimit of liability.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRINTERS AND PUBLISHERS RECALL EXTENSION

1. Coverage

Printers and Publishers Recall Expense

- A. We** will pay for the reasonable costs of recalling and disposing of incorrectly printed documents from **your** original customers.
- B. We** will not pay to correct the recalled documents.
- C. We** will not pay for actual loss of **business income** or **extra expense** that **you** sustain, or that **your** original customers sustain.

2. Limit of Liability

- A.** For all losses covered under this extension, **we** will pay up to a sublimit of \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) **occurrence**. However, **we** will not pay more than \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) policy year.
- B.** The sublimit of liability shown in this endorsement does not increase and is not in addition to any other applicable **limit of liability**.

3. Deductible

We will not pay under this extension unless a loss from any one (1) **occurrence** exceeds \$<<ENTER APPROPRIATE AMOUNT>>. **We** will then pay for the excess, up to the applicable sublimit of liability.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS OF BUSINESS INCOME - RESEARCH AND DEVELOPMENT EXTENSION

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. In the event of a **covered loss** to a research and development operation **we** will pay the actual loss of the following fixed charges incurred by the research and development operation which does not directly produce **business income**:
 - A. Administrative expenses;
 - B. Interest on fixed indebtedness;
 - C. Taxes other than income taxes;
 - D. Insurance;
 - E. Salaries or wages including vacation, holiday and sick leave pay of officers and employees whose service must be continued or who are employed under contracts guaranteeing annual compensation;
 - F. Expense of heat, light and power; and
 - G. Any other fixed charges directly related to research and development.
2. **We** will only pay these fixed charges to the extent they actually continue after the loss and only during the **period of restoration**.
3. To the extent **you** are able to resume operations, **we** will only pay that portion of the fixed charges related to that part of the research and development operation that has not yet been restored.
4. **We** will not pay more than \$_____ in any one (1) **occurrence**.
5. This extension of coverage is subject to the policy deductible.
6. The sublimit of liability shown in this endorsement does not increase and is not in addition to any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS OF BUSINESS INCOME - RESEARCH AND DEVELOPMENT EXTENSION

This endorsement modifies insurance provided under the following:

COVERAGES, Form RM1001

1. In the event of a **covered loss** to a research and development operation **we** will pay the actual loss of the following fixed charges incurred by the research and development operation which does not directly produce **business income**:
 - A. Administrative expenses;
 - B. Interest on fixed indebtedness;
 - C. Taxes other than income taxes;
 - D. Insurance;
 - E. Salaries or wages including vacation, holiday and sick leave pay of officers and employees whose service must be continued or who are employed under contracts guaranteeing annual compensation;
 - F. Expense of heat, light and power; and,
 - G. Any other fixed charges directly related to research and development.
2. **We** will only pay these fixed charges to the extent they actually continue after the loss and only during the **period of restoration**.
3. To the extent **you** are able to resume operations, **we** will only pay that portion of the fixed charges related to that part of the research and development operation that has not yet been restored.
4. **We** will not pay more than \$<<ENTER APPROPRIATE AMOUNT>> in any one (1) **occurrence**.
5. This extension of coverage is subject to the policy deductible.
6. The sublimit of liability shown in this endorsement does not increase **and is not in addition to** any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FINE ARTS AMENDATORY

This endorsement modifies insurance provided under the following:

EXTENSIONS OF COVERAGE, Form RM1002
STANDARD EXTENSIONS AMENDATORY, Form RM1119

Item **A. 9.** of Form RM1002 and Item **7.** of Form RM1119 are deleted and replaced by the following:

We will pay for **covered loss** to **your fine arts** shown on the Schedule of this endorsement subject to the following additional exclusions and special condition.

1. Additional Exclusions

We will not pay for:

- A.** Damage sustained from any repairing, restoration, or retouching process;
- B.** Breakage of art glass windows, statuary, marble, glassware, bric-a-brac, porcelains, and similar fragile articles, unless caused by fire, lightning, aircraft, theft and or attempted theft, windstorm, **earth movement, flood**, explosion, vandalism, collision, derailment or overturn of conveyance;
- C.** **Fine arts** on exhibit unless the location of the exhibit is shown on the Schedule of this endorsement.
- D.** Loss or damage to **your fine arts** while away from a **covered location**.

2. Special Condition

If **you** acquire other objects of **fine arts** during the **policy period**, the provisions of the policy and this endorsement will apply.

We will pay up to 25% of the total **limit of liability** shown on the Schedule of this endorsement if:

- (1) **You** report newly acquired objects of art within ninety (90) days of purchase; and,
- (2) **You** pay premium from the date acquired.

FINE ARTS AMENDATORY (Continued)

Schedule

Covered Location

Description of **Fine Arts**

Limit of Liability

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FINE ARTS ~~ENDORSEMENT~~ AMENDATORY

This endorsement modifies insurance provided under the following:

~~COVERAGES, Form RM1001~~

~~PROPERTY NOT COVERED, Form RM1004~~

~~CONDITIONS, Form RM1006~~

EXTENSIONS OF COVERAGE, Form RM1002

STANDARD EXTENSIONS AMENDATORY, Form RM1119

Item **A. 9.** of Form RM1002 and Item **7.** of Form RM1119 are deleted and replaced by the following:

We will pay for **covered loss to your fine arts** shown on the Schedule of this endorsement subject to the following additional exclusions, ~~and special conditions and valuations.~~

1. Additional Exclusions

We will not pay for:

- A.** Damage sustained from any repairing, restoration, or retouching process;
- B.** Breakage of art glass windows, statuary, marble, glassware, bric-a-brac, porcelains, and similar fragile articles, unless caused by fire, lightning, aircraft, theft and or attempted theft, windstorm, **earth movement, flood**, explosion, vandalism, collision, derailment or overturn of conveyance;
- C.** **Fine arts** on exhibit unless the location of the exhibit is shown ~~in~~ **on** the Schedule of this endorsement.
- D.** Loss or damage to **your fine arts** while away from a **covered location**.

2. Special Conditions ~~and Valuations~~

- ~~**A.** You agree the property insured under this endorsement will be packed and unpacked by competent packers if **your fine arts** are moved to and from a **covered location** to a place of exhibition shown in the Schedule of this endorsement.~~
- ~~**B.** We will pay up to the applicable **limit of liability** shown in the Schedule of this endorsement. The **limit of liability** shown in the Schedule of this endorsement is agreed to be the value of the **fine arts** for the purposes of this endorsement;~~
- ~~**C.** In the event of the total loss of an article or articles which are a part of a pair or set, we will pay **you** the full amount of the value of such set as specified in the Schedule of this endorsement, and **you** will surrender the remaining article or articles of the set to us;~~
- D.** If **you** acquire other objects of **fine arts** during the **policy period**, the provisions of the policy and this endorsement will apply.

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FINE ARTS ENDORSEMENT AMENDATORY(Continued)

We will pay up to 25% of the total limit of liability shown in on the Schedule of this endorsement if:

- (1) You report newly acquired objects of art within ninety (90) days of purchase; and,
- (2) You pay premium from the date acquired.

Schedule

Covered Location	Description of Fine Arts	Limit of Liability
<<Enter Location or Per Schedule of Fine Arts on File with us>>	<<Enter Description or See Schedule>>	<<Enter Limit or See Schedule and \$____ on miscellaneous items of Fine Arts owned by you. Limit of Liability not to exceed \$____ on any one item.>>

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD ZONE DESIGNATION SCHEDULE

This endorsement modifies insurance provided under the following:

FLOOD COVERAGE, Form RM1108

FLOOD COVERAGE (SCHEDULED STATES OR LOCATIONS), Form RM1109

1. The location(s) shown in Schedule A of this endorsement have been identified as being situated in a Special Flood Hazard Area (SFHA), as defined by the Federal Emergency Management Agency (FEMA). SFHA includes Flood Zones, A, AO, AE, AH, A1-30, A99, AR, V, VE, and V1-30.

Schedule A

No.	Location Address
-----	------------------

2. The location(s) shown in Schedule B of this endorsement have been identified as being situated in zone B or X shaded which is the area defined by the Federal Emergency Management agency (FEMA) as being subject to inundation by a one-hundred (100) to five-hundred (500) year **flood** event. (One-hundred (100) to five-hundred (500) year **flood** plain).

Schedule B

No.	Location Address
-----	------------------

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RM CUSTOM SELECT™ COMMERCIAL REAL ESTATE

1. The coverage provided by this policy for direct physical loss or damage to **covered property** at a **covered location** from a **peril insured against** is modified as follows:

A. Specific Insurance – Improvements and Betterments

If coverage for **real property** is provided as shown in **B**. Coverages of the DECLARATIONS, Form RM1000, **we** will pay up to the applicable **limit of liability** in any one (1) **occurrence** for the actual costs or expenses **you** incur to repair or replace improvements and betterments made by **your** tenants in covered buildings **you** own or manage that are lost or damaged by a **peril insured against** if one (1) or more of the following conditions is met:

- (1) **Your** lease or rental agreement with the tenant requires them to purchase insurance for these improvements and betterments, but the tenant has not obtained this insurance as specified in the lease or rental agreement;
- (2) The tenant has obtained insurance for these improvements and betterments as specified in the lease or rental agreement, but has allowed the insurance to lapse;
- (3) The tenant has obtained insurance for these improvements and betterments as specified in the lease or rental agreement, but the insurance is uncollectible, from either the insurer or any other available insurer or guaranty fund, due to the insolvency of the insurer or guaranty fund;
- (4) The tenant has obtained insurance for these improvements and betterments as specified in the lease or rental agreement, and the damage is not covered by that specific insurance, but the damage is from a **peril insured against** under this policy; or
- (5) The tenant has obtained insurance for these improvements and betterments as specified in the lease or rental agreement, but the tenant lawfully cancels the lease and vacates without repairing or replacing the damaged improvements and betterments. However, if the insurance the tenant has obtained for their improvements and betterments insures **you**, that insurance shall be the primary insurance for these improvements and betterments.

B. Canceled Lease Coverage

- (1) If this policy provides coverage for loss of rents, either in the form of **business income** coverage or loss of rents coverage only, **we** will pay up to the applicable **limit of liability** in **1. B. (3)** below for the actual loss of rents or other income that **you** sustain due to **your** tenant(s) lawfully canceling their lease(s) or rental agreement(s) in covered buildings **you** own or manage due to loss or damage from a **peril insured against**.
- (2) Coverage under this extension is limited to the rents or other income that would have been paid to **you** for all canceled leases and rental agreements, minus any actual rents or other income **you** receive from any new tenant(s), during the time period starting immediately following the end of the time period provided in the Standard Extensions of Coverage for Extended Period of Restoration, Form RM1002, and ending at the earlier of:
 - a. The expiration date of each canceled lease or rental agreement; or

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RM CUSTOM SELECT™ COMMERCIAL REAL ESTATE (Continued)

- b. Twelve (12) months immediately following the end of the time period provided in the Standard Extensions of Coverage for Extended Period of Restoration, Form RM1002.

(3) We will not be liable under this extension for more than \$_____ in any one (1) **occurrence**.

- (4) Coverage is not provided when **you** cancel or suspend any lease or rental agreement, or allow **your** tenants' lease to lapse for any reason.

C. Soft Costs

- (1) If coverage for loss of **business income** is provided as shown in **B**. Coverages of the DECLARATIONS, Form RM1000, for any of **your covered locations, new locations, unscheduled locations** or **miscellaneous locations** during construction, including additions to or renovation or remodeling of existing covered buildings, **we** will pay up to the **limit of liability** in **1. C. (3)** below for the following reasonable and necessary additional costs incurred by **you** as the direct result of a delay in occupancy or use caused by direct physical loss or damage from a **peril insured against to covered property** at those locations:

- a. Advertising and promotional expenses;
- b. Expenses such as overtime and transportation or storage costs;
- c. Fees for architects, engineers, consultants, attorneys and accountants;
- d. Interest on money borrowed to finance constructions, remodeling, renovation, or repair;
- e. Project administrative expenses, including insurance premiums, building permit fees;
- f. Real estate brokerage commissions, management fees or other commissions;
- g. Increased realty tax assessments that **you** incur for the period of time that construction has been extended beyond the project completion date;
- h. Ground rent; and
- i. Loss of rents or earnings.

- (2) **You** agree to reduce any delay in opening to the extent reasonably possible.

- (3) We will not be liable under this extension for more than \$_____ in any one (1) **occurrence**. We will only pay for these costs during the time period required to rebuild with materials of like kind and quality to the same degree of completion as existed prior to the loss or damage.

D. Increased Realty Tax Assessment

We will pay up to \$_____ in any one (1) **occurrence** for the additional amount of the realty tax assessment attributable directly to loss or damage from a **peril insured against** to covered **real property**, other than loss or damage to **real property** during construction.

We will only pay if such increased realty tax assessment is based upon the same square footage that existed at the time of loss, and is assessed up to one (1) year following the **period of restoration**.

We will not pay for any increased realty tax assessment for any other reason.

RM CUSTOM SELECT™ COMMERCIAL REAL ESTATE (Continued)

E. Real Estate Brokers' Commission

We will pay up to \$_____ in any one (1) **occurrence** for the reasonable and necessary commissions paid to **your** brokers for obtaining new leases with tenants as a result of physical loss or damage from a **peril insured against** to covered **real property**, other than loss or damage to **real property** during construction.

We will only pay under this extension until the percentage of occupancy reaches the same level that existed on the date of the **covered loss**.

F. Tenant Emergency Evacuation Expenses – Order of Civil Authority

We will pay up to \$_____ in any one (1) **occurrence** for the reasonable and necessary costs or expenses **you** incur to evacuate **your** tenants and any lawful occupants from covered buildings **you** own or manage that are endangered by a **peril insured against** when a civil authority having jurisdiction over the covered buildings orders the covered buildings to be evacuated.

We will not reimburse **you** for any expenses arising out of a planned evacuation drill, medical condition, or a false alarm.

We will not pay more than \$_____ in any one (1) **policy period** for all costs or expenses covered under this extension.

G. Tenant Relocation and Move-Back Expense

(1) We will pay up to \$_____ in any one (1) **occurrence** for *covered moving costs* incurred by **you** with respect to relocating and moving tenants who temporarily vacate covered buildings **you** own or manage due to loss or damage from a **peril insured against**.

(2) For the purpose of this extension the italicized term *covered moving costs* means the reasonable and necessary costs **you** incur for:

- a. Packing and transporting tenants' property;
- b. Reestablishing utility services, less any refunds from discontinued service at **your** covered building;
- c. Assembling and setting up tenants' fixtures and equipment at **your** covered building; and
- d. Unpacking and reshelving tenants' stock and supplies at **your** covered building.

(3) All *covered moving costs* must be incurred no later than sixty (60) days after the building repairs have been completed. We will pay for *covered moving costs* whether or not the tenant(s) move back before the expiration date of this policy.

(4) *Covered moving costs* do not include any loss, cost, expense or other payments made to the landlord or lessor of other premises.

(5) We will not pay more than \$_____ in any one (1) **policy period** for *covered moving costs* under this extension.

2. We will not pay under any of these extensions of coverage unless a loss in any one (1) **occurrence** exceeds \$_____. We will then pay for the excess, up to the applicable sublimit of liability.

3. This endorsement does not increase any other applicable **limit of liability**, and in no event will the extensions of coverage provided by this endorsement apply if coverage is found, in whole or in part, elsewhere in this policy.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RM CUSTOM SELECT™ FOOD PROCESSING

1. The coverage provided by this policy for direct physical loss or damage to **covered property** from a **peril insured against** is extended as follows:

A. Food Product Recall

- (1) **We** will pay up to the sublimit of liability shown in **1. A. (5)** below for the cost **you** incur for recalling and disposing of **your** contaminated food product, including the recalled contaminated food product itself. **We** will pay for these costs under this coverage extension regardless of the cause of the contamination. However, **we** will not pay
- to recall any food product that was
- a.** incorrectly labeled or packaged; or
 - b.** damaged as a result of their normal processing or handling; or
- for any costs associated with
- a.** normal stock rotation;
 - b.** shelf life;
 - c.** perishability; or
 - d.** freshness.
- (2) **We** will only pay under this extension if **your** food product is determined to be in violation of laws administered by the authorized government entity who classifies **your** food product as unfit for its intended use.
- (3) **We** will not pay for any associated penalties, fines, punitive or exemplary charges.
- (4) **We** will also not pay for any loss of **business income** or **extra expense** associated with **your** contaminated food product, or its recall.
- (5) For all loss or damage covered by this extension, **we** will pay up to a sublimit of liability of \$_____ in any one (1) **occurrence**. However, **we** will not pay more than \$_____ in any one (1) **policy period**.
- (6) The portion of provision **B. 7. h.** in **GROUP B EXCLUSIONS** on Form RM1003 for contamination is deleted as respects coverage provided by this extension.

RM CUSTOM SELECT™ FOOD PROCESSING (Continued)

B. Spoilage of Perishable Food Product in **Transit**

- (1) For the purpose of this extension only, **B. 7. g.** in **GROUP B EXCLUSIONS** on Form RM1003 is deleted to the extent of the coverage provided as follows:

We will pay up to the sublimit of liability shown in **1. B. (2)** below for direct physical loss or damage to **your** perishable food product while those goods are in **transit** if the loss or damage is caused by or results from change or extremes in temperature or humidity, whether atmospheric or not.

We will not pay for loss or damage caused by mechanical breakdown or malfunction that results from failure to maintain adequate fuel levels for the heating or cooling equipment.

- (2) **We** will pay up to a sublimit of liability of \$_____ in any one (1) **occurrence**. However, **we** will not pay more than \$_____ in any one (1) **policy period**.
- (3) The portion of provision **B. 7. h.** in **GROUP B EXCLUSIONS** on Form RM1003 for change in taste, texture, finish or color is deleted as respects coverage provided by this extension.

C. Contaminated Food Product at **Covered Locations**

- (1) For the purpose of this extension only, **B. 7. f.** in **GROUP B EXCLUSIONS** on Form RM1003 as well as the portion of provision **B. 7. h.** in **GROUP B EXCLUSIONS** on Form RM1003 for contamination, are deleted to the extent of the coverage provided as follows:

We will pay up to the sublimit of liability shown in **1. C. (4)** below for direct physical loss or damage to **your** food product while stored at **covered locations** resulting from contamination, including any contamination caused by animals, birds, vermin, rodents, or insects.

- (2) **We** will only pay under this extension if the authorized government entity declares **your** food product unfit for its intended use.
- (3) **We** will not pay for any loss of **business income** or **extra expense** associated with **your** contaminated food product.
- (4) For all loss or damage covered by this extension, **we** will pay up to a sublimit of liability of \$_____ in any one (1) **occurrence**. However, **we** will not pay more than \$_____ in any one (1) **policy period**.
- (5) The portion of provision **B. 7. h.** in **GROUP B EXCLUSIONS** on Form RM1003 for change in taste, texture, finish or color is deleted as respects coverage provided by this extension.

D. Food Product Testing

If **your** food product

- (1) is exposed to malicious or intentional tampering, including **your** food product that is stolen and then recovered:
- a. at a **covered location**; or
 - b. while in **transit**, if **you** have purchased coverage for **transit**; and
- (2) shows no direct physical damage, but is declared unfit for its intended use by the authorized government entity unless it is tested and approved for its intended use

RM CUSTOM SELECT™ FOOD PROCESSING (Continued)

we will pay the actual costs **you** incur to test that food product, up to a sublimit of liability of \$_____.

In addition, if, after testing performed pursuant to this extension of coverage, **your** food product is determined to be damaged, **we** will pay for that food product up to the applicable **limit of liability**.

E. Research and Development Costs

(1) In the event of a **covered loss we** will pay up to a sublimit of liability of \$_____ in any one (1) **occurrence** for the actual loss of the following fixed costs incurred by **your** research and development operation, which do not directly produce **business income**:

- a. Administrative expenses;
- b. Interest on fixed indebtedness;
- c. Taxes, other than income taxes;
- d. Insurance;
- e. Salaries or wages, including vacation, holiday and sick leave pay, of officers and employees whose service must be continued, or that are employed under contracts guaranteeing annual compensation;
- f. Expense of heat, light and power; and
- g. Any other fixed cost directly related to research and development.

(2) **We** will only pay these fixed costs to the extent they actually continue after the loss, and only during the **period of restoration**.

- 2. **We** will not pay under any of these extensions of coverage unless a loss in any one (1) **occurrence** exceeds \$_____. **We** will then pay for the excess, up to the applicable sublimit of liability.
- 3. The sublimits of liability shown in this endorsement do not increase and are not in addition to any other applicable **limit of liability**.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CONDITIONS, Form RM1006

1. Item 3. of **F.** Cancellation is replaced with the following:
 3. If this policy has been in effect for sixty (60) days or more or is a renewal of a policy **we** issued, **we** may cancel this policy by giving **you** and any lien holder or loss payee named in the policy written notice of cancellation at least:
 - a. Ten (10) days before the date of cancellation if **we** cancel for nonpayment of premium;
 - b. Sixty (60) days before the date of cancellation if **we** cancel for one (1) or more of the following reasons:
 - (1) Discovery of fraud or material misrepresentation by **you** in obtaining this policy or in pursuing a claim under this policy;
 - (2) The occurrence of a material change in the risk that substantially increases any hazard insured against under this policy;
 - (3) Violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to **covered property** which substantially increases any hazard insured against under this policy;
 - (4) Nonpayment of membership dues in those cases in which the bylaws, agreements, or other legal instruments require payment as a condition of the issuance and maintenance of this policy; or
 - (5) A material violation of a material provision of this policy.
2. Item 7. of **F.** Cancellation is replaced with the following:
 7. a. If this policy is canceled, **we** will send **you** any premium refund due.
 - b. **We** will refund the pro rata unearned premium if the policy is:
 - (1) Canceled by **us** or at **our** request;
 - (2) Canceled but rewritten with **us** or in **our** company group; or
 - (3) Canceled because **you** no longer have an insurable interest in the property or business operation that is the subject of this insurance.

ARKANSAS CHANGES - CANCELLATION AND NONRENEWAL (Continued)

- c. If this policy is canceled at **your** request, other than a cancellation described in **7. b. (2) and (3)** above, **we** will refund ninety (90)% of the pro rata unearned premium. However, the refund will be less than ninety (90)% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by **us** to an amount less than the minimum premium for this policy.
 - d. The cancellation will be effective even if **we** have not yet made or offered a refund.
 - e. If **you** cancel the policy, **we** will retain no less than \$100 of the premium and **we** will retain no less than \$250 of the premium if coverage is provided for equipment breakdown.
3. Item **5.** of **M.** Mortgage Holders is replaced with the following:
- 5. If **we** decide not to renew this policy, **we** will give written notice to the mortgage holder:
 - a. As soon as practicable if nonrenewal is due to **your** failure to pay any premium required for renewal; or
 - b. At least sixty (60) days before the expiration date of this policy, if the nonrenewal is for any other reason.
4. Item **1.** of **P.** Nonrenewal is replaced with the following:
- 1. If **we** decide not to renew this policy, **we** will mail or deliver a written notice of nonrenewal to **you** and any lien holder or loss payee named in the policy at least sixty (60) days before the expiration date of this policy. Notice will be sent to **your** last mailing address known to **us**. **We** will state the reason for nonrenewal.

However, **we** are not required to send this notice if nonrenewal is due to **your** failure to pay any premium required for renewal.

The provisions of Item **P.** Nonrenewal do not apply to any mortgage holder.

Policy number

This endorsement is effective _____ and will terminate with the policy. It is issued by the company designated in the Declarations. All other provisions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CONDITIONS, Form RM1006

A. 1. Item 3. of ~~H. F.~~ Cancellation is replaced with the following:

3. If this policy has been in effect for sixty (60) days or more or is a renewal of a policy ~~we~~ issued, ~~we~~ may cancel this policy by giving **you** and any lien holder or loss payee named in the policy written notice of cancellation at least:
 - ~~(a)~~ **a.** Ten (10) days before the date of cancellation if ~~we~~ cancel for nonpayment of premium;
 - ~~(b)~~ **b.** Sixty (60) days before the date of cancellation if ~~we~~ cancel for one (1) or more of the following reasons:
 - (1) Discovery of fraud or material misrepresentation by **you** in obtaining this policy or in pursuing a claim under this policy;
 - (2) The occurrence of a material change in the risk that substantially increases any hazard insured against under this policy;
 - (3) Violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to **covered property** which substantially increases any hazard insured against under this policy;
 - (4) Nonpayment of membership dues in those cases in which the bylaws, agreements, or other legal instruments require payment as a condition of the issuance and maintenance of this policy; or
 - (5) A material violation of a material provision of this policy.

D. 2. Item 7. of ~~H. F.~~ Cancellation is replaced with the following:

7. ~~(a)~~ **a.** If this policy is canceled, ~~we~~ will send **you** any premium refund due.
- ~~(b)~~ **b.** ~~We~~ will refund the pro rata unearned premium if the policy is:
 - (1) Canceled by **us** or at **our** request;
 - (2) Canceled but rewritten with **us** or in **our** company group; or
 - (3) Canceled because **you** no longer have an insurable interest in the property or business operation that is the subject of this insurance.

ARKANSAS CHANGES - CANCELLATION AND NONRENEWAL (Continued)

~~(e)~~ **c.** If this policy is canceled at **your** request, other than a cancellation described in **7. ~~(b)~~ b.** (2) and (3) above, **we** will refund ninety (90)% of the pro rata unearned premium. However, the refund will be less than ninety (90)% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by **us** to an amount less than the minimum premium for this policy.

~~(d)~~ **d.** The cancellation will be effective even if **we** have not yet made or offered a refund.

~~(e)~~ **e.** If **you** cancel the policy, **we** will retain no less than \$100 of the premium and **we** will retain no less than \$250 of the premium if coverage is provided for ~~E~~quipment ~~B~~breakdown.

~~C. 3.~~ **3.** Item **5.** of ~~X. M.~~ **M.** Mortgage Holders is replaced with the following:

5. If **we** decide not to renew this policy, **we** will give written notice to the mortgage holder:

~~(a)~~ **a.** As soon as practicable if nonrenewal is due to **your** failure to pay any premium required for renewal; or

~~(b)~~ **b.** At least sixty (60) days before the expiration date of this policy, if the nonrenewal is for any other reason.

~~B. 4.~~ **4.** Item **1.** of ~~I. P.~~ **P.** Nonrenewal is replaced with the following:

1. If **we** decide not to renew this policy, **we** will mail or deliver a written notice of nonrenewal to **you** and any lien holder or loss payee named in the policy at least sixty (60) days before the expiration date of this policy. Notice will be sent to **your** last mailing address known to **us**. **We** will state the reason for nonrenewal.

However, **we** are not required to send this notice if nonrenewal is due to **your** failure to pay any premium required for renewal.

The provisions of Item ~~I. P.~~ **P.** Nonrenewal do not apply to any mortgage holder.

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Liberty Mutual Fire Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
<i>Project Name/Number:</i>	<i>0308 Revision filing/</i>		

Attachment "1803.308.doc" is not a PDF document and cannot be reproduced here.

<i>SERFF Tracking Number:</i>	<i>LMPP-125428084</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Liberty Mutual Fire Insurance Company</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>SRF-CW-023-07</i>		
<i>TOI:</i>	<i>01.0 Property</i>	<i>Sub-TOI:</i>	<i>01.0001 Commercial Property (Fire and Allied Lines)</i>
<i>Product Name:</i>	<i>Liberty Mutual Property RM Select Policy</i>		
<i>Project Name/Number:</i>	<i>0308 Revision filing/</i>		

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: LMPP-125428084 State: Arkansas
Filing Company: Liberty Mutual Fire Insurance Company State Tracking Number: EFT \$50
Company Tracking Number: SRF-CW-023-07
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Liberty Mutual Property RM Select Policy
Project Name/Number: 0308 Revision filing/

Supporting Document Schedules

Review Status:
Bypassed -Name: Uniform Transmittal Document- Property & Casualty Approved 02/11/2008
Bypass Reason: not applicable - refer to general information tab for filing description and form tab for the form schedule information
Comments:

Review Status:
Satisfied -Name: New Endorsements Explanation Approved 02/11/2008
Comments:
Refer to the attached explanation for the 4 new endorsements submitted
Attachment:
RMSELECT New End Explanation308.pdf

Review Status:
Satisfied -Name: Revised Forms / Endorsements Explanation Approved 02/11/2008
Comments:
Refer to the attached explanation of changes that highlights substantive revisions to these previously approved forms and endorsements
Attachment:
RMSELECT Revised Forms End Explanation308.pdf

NEW ENDORSEMENTS

CONTRACT PENALTIES EXTENSION, Form RM1138 03-08

This is an optional endorsement used at the insured's request to provide contract penalties coverage.

LENDER'S LOSS PAYABLE ENDORSEMENT, Form RM1141 03-08

This is an optional endorsement used at the insured's request to add a Lender's Loss Payee to the policy.

RM CUSTOM SELECT™ REAL ESTATE, Form RM2004 03-08

This is an optional endorsement used at the insured's request to provide the following coverages to insured's that are in the real estate industry: tenant improvement and betterments, loss of income due to terminated leases, service interruption, building code compliance, tenant relocation and move-back costs and mandatory tenant evacuation in the face of an insured peril.

RM CUSTOM SELECT™ FOOD PROCESSING, Form RM2080 03-08

This is an optional endorsement used at the insured's request to provide the following coverages to food processors: food product recall, spoilage of perishable food product in transit, contaminated food product at covered locations, food product testing, and research and development costs.

REVISED FORMS/ENDORSEMENTS

The following Revised Forms/Endorsements document summarizes the substantive changes to the referenced forms and endorsements. For your ease in identifying all of the changes made throughout these forms and endorsements (including minor clarification, reference, copyright and edition date changes), kindly refer to the Form Schedule tab for the marked up versions of the previously filed forms (new wording is shaded, while the prior, now deleted, wording is stricken).

POLICY REFERENCE INDEX, Form RM0002 03-08

- Updated to coincide with policy form changes.

DECLARATIONS, Form RM1000 03-08

- Page 1 – updated to include reference to Terrorism Risk Insurance Revision and Extension Act of 2007 (TRIREA)
- Page 1 – updated to include reference to State or Municipal Taxes, Surcharges and Other Miscellaneous Charges – along with corresponding dollar amount
- Page 2 - added “risks of” to Insuring Agreement
- Page 2 – have indicated that italicized words are now defined in individual forms or endorsements
- Page 2 under B. Coverages – amended standard policy valuations to “replacement cost” (previously “actual cash value”)
- Page 2 under B. Coverages – clarification that coverage for “personal property” includes “personal property of others”
- Page 3 – Item 4. Optional Extensions of Coverage – added coverage grants for the following:
 - 1) Course of Construction
 - 2) Miscellaneous Locations
 - 3) Personal Property at Exhibitions, Expositions, Fairs or Trade Shows
 - 4) Provided separate limits for Demolition Cost, Increased Construction Cost and Operation of Building Laws (currently written with combined limit)
- Page 4 – added “waiting period” option

COVERAGES, Form RM1001 03-08

- Page 1 – under C. 1. – clarification under business income that rental income coverage is provided

EXTENSIONS OF COVERAGE, Form RM1002 03-08

- Added the following new Standard Extensions of Coverage
 - 1) Accounts Receivable (\$100,000 limit of liability)
 - 2) Arson Reward (\$25,000 reward)
 - 3) Deferred Payments (\$25,000 limit of liability)
 - 4) Fine Arts (\$100,000 limit of liability)
 - 5) Installation of Personal Property or Personal Property of Others (\$250,000 limit of liability)
 - 6) Lock and Key Replacement (\$25,000 limit of liability)
- Fungus Cleanup Expense – made changes to clarify coverage intent
- Added the following new Optional Extensions of Coverage (limits are per our filed rating plan)
 - 1) Course of Construction
 - 2) Exhibitions, Expositions, Fairs or Trade Shows
 - 3) Miscellaneous Locations
- Clarified that transit coverage includes coverage for “personal property of others”

EXCLUSIONS, Form RM1003 03-08

- Group A Exclusions – added Virus exclusion to Group A
- Moved Exclusion for Fungus, bacteria, wet or dry rot, decay from Group B to Group A Exclusions
- Group B Exclusions item 4. c. – reworded to clarify coverage intent

REVISED FORMS/ENDORSEMENTS (Continued)

PROPERTY NOT COVERED, Form RM1004 03-08

- Item H. – removed fine arts (now a standard extension of coverage)
- Item C. – added exception that provides coverage for pedestrian walkways
- Item L. – added property the insured transports as a contract carrier (formerly only common carrier)
- Item O. – added exception providing coverage for watercraft when part of the insured's inventory

VALUATIONS, Form RM1005 03-08

- The valuation for finished goods not manufactured by the insured has been amended from replacement cost to selling price
- Added optional capital expenditures valuation under the replacement cost provisions – see item A. 2. d. (1), (2) and (3)
- Added Fine Arts valuation provisions to this form (now a standard extension of coverage)

CONDITIONS, FORM RM1006 03-08

- Added Liberalization condition – see item K.
- Added Vacancy condition – see item B.B.

DEFINITIONS, Form RM1007 03-08

- The definition of Accident has been amended to include a testing exclusion
- Clarified that gross earnings includes rental income as outlined in the business income definition
- The definition of First tier wind Counties now includes all counties in the State of Florida
- Added Miscellaneous location(s) definition – see item T.
- Added Mobile equipment or tools definition – see item U.
- Added Perishable goods definition – see item C.C.

MOBILE EQUIPMENT OR TOOLS EXTENSION, Form RM1104 03-08

- Added coverage option for newly acquired mobile equipment or tools and rented equipment

EARTH MOVEMENT SPRINKLER LEAKAGE EXTENSION, Form RM1105 03-08

- Amended form to clarify that coverage is provided for business income or extra expense if those coverages are provided on the policy
- Changed percentage deductible provisions to apply to reported values (previously insurable values)
- Added ability to exclude coverage in specific states or territories (same as earth movement form)

EARTH MOVEMENT COVERAGE, Form RM1106 03-08

- Amended form to clarify that coverage is provided for business income or extra expense if those coverages are provided on the policy
- Added wording to clarify that if earth movement coverage (Form RM1106) and earth movement sprinkler leakage extension (Form RM1105) are both on the same policy, than no earth movement sprinkler leakage coverage is provided on Form RM1106 (see Form RM1105 for this coverage).
- Changed percentage deductible provisions to apply to reported values (previously insurable values)
- Combined Form RM1107 and Form RM1106 to eliminate an additional endorsement

FLOOD COVERAGE, Form RM1108 03-08

- Amended form to clarify that coverage is provided for business income or extra expense if those coverages are provided on the policy
- Changed percentage deductible provisions to apply to reported values (previously insurable values)
- Combined Form RM1109 and Form RM1108 to eliminate an additional endorsement

REVISED FORMS/ENDORSEMENTS (Continued)

INTERRUPTION OF SERVICES COVERAGE EXTENSION, Form RM1110 03-08

- Removed the word “direct” and added the words “or damage” to the insuring agreement
- Clarified that coverage applies to direct supply utility service property that is owned by the company with whom the insured has a contract for those services or within one mile of the covered location
- Item 1. C. (2) – changed “telephone” to “telecommunication”
- Item 1. C. (3) – applies to “overhead transmission and distribution lines”
- Added a waiting period
- Added a Schedule

ADDITIONAL DEDUCTIBLES AND WAITING PERIODS, Form RM1115 03-08

- Added reference to waiting period

TERRITORIAL DEFINITION AMENDATORY, Form RM1118 03-08

- Amended to match our Policy Period and Territory condition

STANDARD EXTENSIONS AMENDATORY, Form RM1119 03-08

- Amended to reflect the new Standard Extensions of Coverage that were added to Form RM1002

SPOILAGE OF PERISHABLE GOODS WHILE IN TRANSIT EXTENSION, Form RM1122 03-08

- Includes coverage for all spoilage of perishable goods (previously limited to food products)
- Clarified that coverage does not apply to business income or extra expense caused by mechanical breakdown or malfunction that results from failure to maintain adequate fuel levels for the heating or cooling equipment

FINE ARTS AMENDATORY, Form RM1126

- Amended additional exclusions to match coverage provided under the standard extensions of coverage
- Removed valuations provisions (now included in Form RM1005)

EQUIPMENT BREAKDOWN EXTENSIONS OF COVERAGE, Form RM1250 03-08

- Edited to reflect that Perishable Goods is now a defined term in Form RM1007 and italicized terms are defined within the endorsement

EQUIPMENT BREAKDOWN COVERAGE AMENDATORY, Form RM1251 03-08

- Optional Extensions of Coverage – in item 2. - provided separate limits for Demolition Cost, Increased Construction Cost and Operation of Building Laws (currently written with combined limit)
- Optional Extensions of Coverage – in item 2. – coverage provided for miscellaneous location
- Edited to reflect that italicized terms are defined within the endorsement